

8 Medicare + group-plan questions HR teams ask us the most.

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ANSWERED

01 TIMING

Can an employee delay Medicare Part B while on our group plan?

Usually yes, if your group plan is "creditable" coverage and the employer has 20+ employees. Confirm creditable status annually with your carrier; if your headcount drops below 20, the math flips and Medicare becomes primary.

TIP Re-confirm creditable status every plan year.

02 HSA

If an employee contributes to an HSA, can they enroll in Medicare?

Not without consequences. Enrolling in any Part of Medicare (including premium-free Part A) halts HSA contributions, and Part A can backdate up to 6 months, creating retroactive excess contributions subject to excise tax.

TIP Stop HSA contributions 6 months before the Part A start.

03 COBRA

What happens to Medicare timing when an employee goes on COBRA?

COBRA does not delay Medicare. The 8-month Part B Special Enrollment Period starts at the end of active employment, not when COBRA ends. Missing it creates lifetime penalties and gaps; one case study put the employer on the hook for \$50K+ in claims.

TIP Clock starts at active-employment end, not COBRA expiry.

04 ICHRA

Our group is moving to an ICHRA. What changes for Medicare-eligible employees?

An ICHRA can reimburse Medicare premiums, but the employee must be enrolled in Medicare Parts A and B (and typically Part D) to use it. Coordinate timing carefully, the Medicare effective date drives the ICHRA effective date.

TIP Line up enrollment so reimbursement starts day one.

05 ELIGIBILITY

What about employees with a disabled spouse or dependent?

Independent rules apply. A disabled dependent may already be Medicare-eligible regardless of age, and Part B timing decisions differ from the working employee's. Always hand off the household scenario, this is where avoidable mistakes accumulate.

TIP Run the household as one case, not separate ones.

06 COMPATIBILITY

Does our wellness program or FSA conflict with Medicare?

Generally no, FSAs and wellness programs coexist with Medicare. The major coordination issues are HSA contributions, COBRA timing, and creditable Rx coverage for Part D. Document the latter every year.

TIP Keep the Part D creditable letter on file annually.

07 RISK

What's the employer's liability if Medicare coordination goes wrong?

Substantial. Misrouted claims, retroactive Part A enrollment, and severance packages that include health coverage can all create direct employer exposure, typically tens of thousands of dollars per incident, plus employee-relations damage during transitions.

TIP Confirm Part B SEP before signing any severance package.

08 MULTI-STATE

We have multi-state employees. Does that complicate Medicare?

Federal Medicare rules don't change by state, but supplemental plans, Medicare Advantage networks, and Medicaid coordination do. Doctor's Choice is licensed in all 50 states and analyzes 2,000+ plan options, so a Texas employee and a Rhode Island employee both get the right local fit.

TIP Network rules vary; Doctor's Choice maps local options.

REACH OUT FOR A PROPOSAL

We'd love to build a proposal for your team.



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