D'ANGELIS WEALTH MANAGEMENT | PARAMUS, NEW JERSEY

The Medicare Playbook

A guide for pre-retirees and recent retirees

Enrollment timing, coverage choices, and how healthcare costs fit into your retirement income plan.

A practical, educational guide — not a sales pitch. Work through it, check the boxes, and use the gaps you find as your agenda for a conversation.

INTRODUCTION

Medicare, as part of your broader plan

Medicare is one of the most consequential decisions you will make on the path to retirement, yet it is often treated as a separate checklist item rather than part of a broader financial picture.

The choices you make around enrollment timing, coverage type, and supplemental plans can affect your monthly cash flow, your healthcare access, and even how much you pay in retirement for coverage tied to your income.

This guide walks through the core Medicare decisions pre-retirees and recent retirees commonly face, and why it helps to think about Medicare alongside your retirement income plan rather than as an isolated enrollment task.

How to use this guide: read it in order, answer the Start Here questions honestly, and use the checklist and self-score at the end as your agenda for a conversation — with your spouse, your advisor, and your tax professional.

This guide is educational only. It is not financial, investment, tax, or legal advice. See the full disclosure on the last page.

START HERE

The questions to answer before you enroll

Medicare is not a one-time form. It is a series of connected decisions, and a choice in one area — when you enroll, which coverage path you take, how much income you report in a given year — can ripple into another. Answer these questions out loud, together, before you make any of them.

- Are you approaching 65, and do you know when your Initial Enrollment Period begins and ends?
- If you are still working past 65, do you know whether your employer coverage lets you delay enrollment without a late-enrollment penalty — and does that depend on the size of your employer and the nature of your coverage?
- Do you want the nationwide flexibility of Original Medicare, or the bundled benefits and network structure of a Medicare Advantage plan — and which providers do you want to keep seeing?
- If you choose Original Medicare, have you planned for prescription drug coverage and for the out-of-pocket costs it does not cover?
- Have you considered how income decisions — a Roth conversion, a large capital gain, or a required distribution — could affect your Part B and Part D premiums a year or two later?
- If you contribute to a Health Savings Account (HSA), do you know that enrolling in any part of Medicare ends your eligibility to contribute to it?

If any answer was a pause, this guide is for you. Work through it one section at a time, check the boxes as you go, and bring your gaps — not just your answers — to your next review.

SECTION 1

Why enrollment timing matters

Most people become eligible for Medicare at age 65, and there is a defined window around that birthday known as the Initial Enrollment Period. This window typically includes several months before your 65th birthday, the birthday month itself, and several months after.

Enrolling during this window matters

Missing it, without a qualifying reason to delay — such as active employer coverage — can result in late enrollment penalties. These penalties are generally permanent additions to your premium for as long as you have Medicare, which is why the timing of this decision deserves attention well before you turn 65.

Working past 65?

If you are still working past 65 and have coverage through an employer plan, you may be able to delay Medicare enrollment without penalty, but the rules depend on the size of your employer and the nature of your coverage. This is an area where it helps to confirm your specific situation rather than assume the general rule applies to you.

The pattern to remember: the time to plan is before the window opens — while you still have choices, not after a deadline has passed.

SECTION 2

Original Medicare vs. Medicare Advantage

Once you are ready to enroll, one of the first major decisions is choosing between Original Medicare and Medicare Advantage. Neither option is universally “better.” The right fit depends on which providers you want to see, whether you travel frequently, your prescription drug needs, and your tolerance for network restrictions versus flexibility.

Original Medicare	Medicare Advantage (Part C)
What it is: Part A (hospital insurance) and Part B (medical insurance), administered directly by the federal government.	**What it is:** An alternative way to receive Medicare benefits through private insurance companies that contract with Medicare.
Providers: See any provider nationwide who accepts Medicare.	**Providers:** Provider networks apply; check whether your providers are in-network.
Costs: You typically pay a portion through deductibles and coinsurance — which is why many people pair it with a supplemental policy (Section 3).	**Costs:** Different cost structures and out-of-pocket maximums than Original Medicare; plans often bundle in additional benefits, such as prescription drug coverage.
Pairing: Can be paired with Part D and Medigap.	**Pairing:** Medigap cannot be paired with Medicare Advantage.

Revisit this decision each year during open enrollment, since plan details and your own health needs can change over time.

SECTION 3

Prescription drug coverage and supplemental plans

If you choose Original Medicare, you will generally want to think about two additional layers of coverage.

Part D — prescription drug coverage

Part D provides prescription drug coverage through private plans approved by Medicare. Enrolling when you are first eligible is important, because, similar to Parts A and B, late enrollment in Part D can carry a permanent penalty if you go without creditable drug coverage for an extended period.

Medigap — Medicare Supplement insurance

Medigap is designed to help cover some of the out-of-pocket costs that Original Medicare does not, such as copayments, coinsurance, and deductibles. Medigap policies are standardized by letter plan — for example, Plan G or Plan N — though pricing and availability vary by insurer and state.

Medigap cannot be paired with Medicare Advantage, so this is part of the broader decision between the two paths in Section 2 — not a separate add-on you can layer onto either one.

SECTION 4

How income can affect your Medicare premiums

A detail that catches many retirees by surprise is that Medicare Part B and Part D premiums can be higher for individuals with higher income, through a surcharge known as IRMAA — the Income-Related Monthly Adjustment Amount.

IRMAA is based on your income from a prior tax year

That timing matters. Decisions you make today — such as the timing of a Roth conversion, a large capital gain, or a required distribution — can influence your Medicare premiums a year or two down the road.

Because IRMAA is assessed in tiers, crossing into a higher income bracket, even by a modest amount, can result in a meaningfully higher premium.

This is precisely why Medicare planning benefits from being looked at alongside your overall retirement income strategy. The timing of withdrawals, conversions, and other income-generating decisions can have ripple effects on your healthcare costs that are easy to overlook if Medicare is treated as a separate topic.

Questions to raise with your advisor and tax professional — not decisions to make from a guide alone:

- In which year should a Roth conversion, a large sale, or a distribution fall — and what would that do to premiums the following year?
- Are you close to an IRMAA tier boundary, where a modest amount of extra income could change your premium?
- How do this year's income decisions fit with next year's coverage costs, not just this year's tax bill?

SECTION 5

Coordinating Medicare with an HSA or employer coverage

If you are still working past 65, two coordination points deserve attention before you enroll in anything.

Health Savings Accounts (HSAs)

Once you enroll in any part of Medicare, you are no longer eligible to contribute to an HSA. For some people, this means it makes sense to delay Medicare Part A enrollment if they want to continue HSA contributions, though this depends on your specific employer coverage and contribution goals.

Employer coverage

If you have coverage through an employer — your own or a spouse's — understanding how that coverage interacts with Medicare, including which one pays first, can affect both your enrollment timing and your out-of-pocket costs. These rules vary based on employer size and plan type, so it is worth confirming the details that apply to your situation before making enrollment decisions.

Do not assume the general rule applies to you. Confirm the size, type, and primary-payer rules for your specific plan first.

SECTION 6

Healthcare costs as part of your broader retirement plan

Healthcare is often one of the larger and less predictable categories of spending in retirement. Premiums, supplemental coverage, out-of-pocket costs, and potential long-term care needs all factor into how much income your retirement plan needs to generate, and when.

Rather than treating Medicare as a one-time enrollment task, view it as an ongoing part of your retirement income plan — one that intersects with your tax planning, your withdrawal strategy, and your overall cash flow needs. Decisions made in one area, such as the size of a distribution in a given year, can influence costs in another area, such as your Medicare premium the following year.

Before you enroll — checklist

- ■ I know my Initial Enrollment Period window and what happens if I miss it.
- ■ I have compared Original Medicare and Medicare Advantage for my providers, travel, and prescriptions.
- ■ I have a plan for prescription drug coverage, and I know the late-enrollment risk of going without creditable coverage.
- ■ I know whether Medigap fits my path — and that it cannot be paired with Medicare Advantage.
- ■ I have checked how this year's income decisions could affect next year's Part B and Part D premiums through IRMAA.
- ■ I have confirmed how my HSA and any employer coverage interact with Medicare enrollment, including which plan pays first.

YOUR NEXT STEP

Your 30-minute Medicare review agenda

You do not need a full day or a professional in the room to start. You need 30 minutes, this guide, and your answers to the Start Here questions.

0–5 min	Answer the six Start Here questions out loud.
5–12 min	Compare Original Medicare vs. Medicare Advantage for your providers, travel, and prescriptions.
12–20 min	Review Part D, Medigap, and any HSA or employer coverage you have.
20–27 min	Pick your two biggest gaps from the self-score below.
27–30 min	Assign one owner and one date to each gap. Put the date on the calendar before you stand up.

Self-score checklist — be honest. Score 1 point for each statement you can say yes to today.

- ■ I know my Initial Enrollment Period and have a plan to enroll on time. Yes / No
- ■ I have compared Original Medicare and Medicare Advantage for my situation. Yes / No
- ■ I have a prescription drug coverage plan and understand the late-enrollment risk. Yes / No
- ■ I understand Medigap — including that it cannot be paired with Medicare Advantage. Yes / No
- ■ I understand how IRMAA works and that it is based on a prior tax year. Yes / No
- ■ I have considered how Roth conversions, capital gains, or distributions could affect my premiums. Yes / No
- ■ I have confirmed how my HSA and/or employer coverage interact with Medicare. Yes / No
- ■ I review my Medicare coverage each year during open enrollment, alongside my retirement income plan. Yes / No

7–8: You are in strong shape — keep it current with an annual review. **4–6:** A solid base with real gaps worth closing soon. **0–3:** Your coverage and income timing need attention — start with enrollment timing and IRMAA.

WORK WITH US

Turn your gaps into a plan: book a Family Wealth Strategy Session

If your score left you with questions, that is exactly what this session is for. A Family Wealth Strategy Session with D'Angelis Wealth Management is a working conversation about how Medicare fits into your broader picture: when to enroll, which coverage path fits your providers and prescriptions, whether supplemental coverage makes sense for you, and how income and withdrawal timing could affect your premiums.

Our family team — based in Paramus, New Jersey — works with pre-retirees and retirees across Bergen County and beyond who want their retirement income plan, tax planning, and healthcare decisions to work together, not in isolation. Bring your checklist and self-score from this guide; we will start there.

Book your Family Wealth Strategy Session

Schedule online at:

oncehub.com/DAngelisWealthManagement

Full link: https://oncehub.com/DAngelisWealthManagement • Or call us at: **551-284-9844**

Before your session

- Bring your completed self-score checklist.
- Bring a list of your providers and prescriptions, if you have them.
- Write down the one question from this guide you most want answered.

Important disclosure: This guide is for educational and informational purposes only. It is not financial, investment, tax, or legal advice, and it is not a recommendation or solicitation for any product, strategy, or service. It does not consider your individual circumstances. Medicare rules, plan details, and tax rules change and vary by situation and state; confirm the details that apply to your situation, and consult a qualified tax professional and your other advisors about your own circumstances before acting. D'Angelis Wealth Management, Paramus, New Jersey. Website: dangeliswealthmanagement.com.