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THE SOCIAL SECURITY & MEDICARE
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Benefits Lose 30% of Buying Power

Social Security benefits have lost 30 percent of buying power since 2000. These are the findings of an annual TSCL study that examines the adequacy of Social Security benefits in keeping up with the rising costs typically experienced by adults age 65 and up.

This year's study found a 3 percentage point gain in the buying power of Social Security benefits from January 2019 to January 2020. That should indicate that most retirees may have seen at least some prices go down on certain items during that period. But this is deflation—which is a strong signal that there may be no COLA next year. This year's 1.6 percent COLA was already low to begin with. A recent deep plunge in oil prices have all but wiped out the prospect of a COLA.

The study, which examined price changes from January of 2019 to January of this year found that, since 2000, the buying power of Social Security benefits improved 3 percentage points—from a loss of 33 percent as of 2019 to 30 percent in 2020. Between January of 2000 and January of 2020, Social Security COLAs increased Social Security benefits by 53 percent, but the costs of goods and services purchased by typical retirees rose almost twice as much—99.3 percent. Medicare premiums and out-of-

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Are You Affected by High Out of Pocket Costs for COVID-19?

Older adults are at particularly high risk for serious illness with the coronavirus, and almost everyone age 65 and older is covered by Medicare. Healthcare policy experts are closely watching how unanticipated increases in Medicare spending due to COVID-19 would have "spill-over effects for Medicare beneficiaries. TSCL is especially concerned those effects may be felt in "high hyper" premium increases, as well as significantly

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No COLA Expected for Next Year

By Mary Johnson, editor

The coronavirus is creating especially challenging long-term impacts for the nation's retirees. Coronavirus-caused deflation will likely obliterate the Social Security Cost-of-Living Adjustment (COLA) for next year, at the same time causing Medicare Part B premiums to peak at new highs. The combined impact could result in a similar situation to the one last seen in the fall of 2015, when the COLA announced for 2016 was zero. After deduction for Part B premiums, Social Security beneficiaries saw no growth in their net Social Security benefits for up to three more years thereafter.

A crash in oil prices has pulled down the price of gasoline. That has an out-sized impact on the Consumer Price Index (CPI) and especially the CPI-W (Consumer Price Index for Urban Wage Earners and Clerical Workers) which is used to calculate the annual COLA. But because the COLA is adjusted using a CPI that measures cost changes experienced by younger

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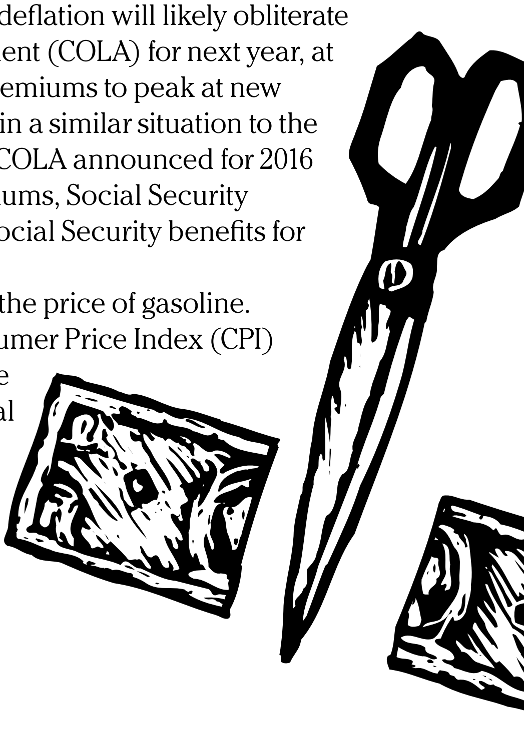

Rick Delaney,
Chairman of the Board, TSCL

Let's Stop Calling for Payroll Tax Cuts—Preserve Social Security and Medicare Instead

By Rick Delaney, Chairman of the Board

President Trump has said that he would not approve another COVID-19 stimulus bill if it doesn't include a payroll tax cut for workers. The proposal he's discussing would halt money being withheld from workers' paychecks. But that's the same money that is currently used to fund *your* Social Security and Medicare benefits.

This proposal comes on top of an earlier payroll tax cut that was passed as part of the Coronavirus, Aid, Relief and Economic Security Act (CARES Act). That payroll tax cut benefits employers who keep workers on their payroll in 2020. It is actually a tax credit that's available to businesses negatively affected by the coronavirus, and employers may only temporarily defer the payment of Social Security payroll tax withholdings. Employers have an extra two years, until 2022, to pay the employer's portion of 2020 payroll taxes. The Joint Committee on Taxation (JCT) estimates that this tax break will cost $351 billion over 2020 and 2021, but, will increase revenues by $339 billion (as taxes are caught up) over 2022–2023. JCT expects a $12 billion loss of revenue because some businesses would remain permanently closed.

Using the balance of the Social Security and Medicare payroll tax to provide a tax break for today's workers, weakens funding for current benefits, and misses an opportunity to strengthen program funding in the future when today's workers are nearing retirement. When a payroll tax cut for workers is combined with the previous tax cut, that would remove most of the employee and employer portion of Social Security and Medicare payroll taxes that the programs expect to receive in 2020 altogether.

Both programs already have well known long-term financing issues. According to the most recent Social Security Trustees report, Social Security already pays out more in benefits than it receives in payroll taxes. In 2019 Social Security paid $1,047.9 trillion in benefits versus receiving $944.5 billion in payroll tax revenues. Taxation of the benefits of retirees provides another $36.5 billion in revenues and $80.8 billion is money from "interest" earned by the assets of the Social Security Trust funds, special non-marketable I.O.U. bonds. In April, the Social Security Trustees forecast that Social Security will be depleted by 2035, but that estimate is out of date due to effects from the coronavirus.

With as much as one quarter of the nation's work force out of a job, Social Security's income will take a major hit in 2020, while claims for Social Security will grow faster than anticipated, as older workers lose jobs. Before the coronavirus, older workers may have delayed claiming Social Security to allow their benefits to grow. But many of those who lose their jobs may

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SOCIAL SECURITY & MEDICARE QUESTIONS

I Lost My Job and Health Insurance—What Should I Do?

Q: The company that I worked for shut down in March because of the coronavirus, and I did not get my job back. I lost my paycheck and my health insurance. I'm over 65 and, because I was getting insurance through my employer, I have not enrolled in Medicare or Social Security. What should I do now?

A: More than 26 million workers filed unemployment claims over the five-week period that ended April 18, 2020. Millions of workers who lost jobs also lost their health insurance, and the severity of

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Legislative Update

Shannon Benton, Executive Director

Should the Medicare Eligibility Age be Lowered?

By Shannon Benton, Executive Director

How do older Americans feel about proposals to lower the Medicare eligibility age? A recent TSCL survey found little support for "Medicare for All." Just 17% of survey participants said they support the idea of lowering the Medicare age to cover everyone. On the other hand, a majority of those taking the survey—49%—said they support allowing adults age 55–64 to have the *option* to enroll in Medicare. Twenty-five percent were opposed to this proposal and another 25% were undecided.

A Medicare buy-in differs from directly lowering the Medicare eligibility age, because participation in a buy-in would be optional. Individuals, and employers offering insurance coverage would make decisions about Medicare by comparing coverage, premiums and costs with the private insurance plans also available.

A Medicare buy-in could be offered on the Affordable Care Act marketplace to individuals and, for those who don't qualify for a subsidy, Medicare would offer a more affordable coverage option due to lower premiums and Medicare's provider payment rates. Health policy experts believe that affordability and access to care likely would be improved.

With the ongoing coronavirus crisis, providing affordable access to quality healthcare remains a top issue for voters headed into the 2020 election. But older voters do not seem to feel that sweeping major change like "Medicare for All" is the way to go. Providing adults age 55–64 an option to enroll in Medicare appears to be a timely, more incremental approach for consideration by Congress.

With major financial challenges facing the Medicare Trust Fund in the near future, TSCL plans to work with Members of Congress to find solutions that improve program financing without exposing older Americans to higher premiums, deductibles, and out-of-pocket costs.

We want to hear how you have been impacted by the coronavirus and rising costs! Send your comments and if you haven't already done so please take TSCL's Survey of Senior Costs at https://seniorsleague.org/2020-senior-cost-survey. ■

Source: "Examining Approaches to Expand Medicare Eligibility: Key Design Options and Implications," National Academy of Social Insurance, March 2020.

Your Opinion Counts!

We can strengthen Social Security, Medicare and Medicaid programs without the need for deep cuts and higher out-of-pocket costs. The Senior Citizens League needs your opinions and ideas to share with Members of Congress on the issues. Make sure they hear your concerns. Take a survey, sign a petition, read about the latest legislative action in Congress, or send us an email. Visit The Senior Citizens League's website at www.SeniorsLeague.org.

***The Social Security & Medicare Advisor* © 2020** is published by The Senior Citizens League (TSCL). TSCL is an organization of active seniors concerned about the protection of their earned Social Security, Medicare, military, and other retirement benefits. TSCL's supporters participate in a number of grassroots lobbying and public education campaigns to help ensure governmental bodies live up to their commitments. Current active contributors to The Senior Citizens League are entitled to receive *The Social Security & Medicare Advisor* for no additional charge. Readers wishing to contact TSCL should address correspondence to The Senior Citizens League, 1800 Diagonal Road, Suite 600, Alexandria, VA 22314. TSCL website: www.SeniorsLeague.org. Editor: Mary Johnson.

CONGRESSIONAL CORNER

Legislation Would Abolish Two Provisions That Reduce Social Security Benefits of Public Employees

By Representative Rodney Davis (IL-13)

Representative Rodney Davis (IL-13)

Every day, thousands of our neighbors and friends protect our cities, educate our students, and deliver vital services to our communities. While these selfless public servants have spent their lives giving back, our antiquated federal policies take away the benefits that these workers have rightly earned.

As part of efforts to strengthen the Social Security system, Congress included the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO) in the Social Security Act of 1983. While intentions were noble, these changes did little to protect the Social Security system. Instead, they unjustly penalized millions of public sector employees.

These three-decade-old policies have been proven to be harmful not helpful, which is why I introduced H.R. 141, the Social Security Fairness Act of 2019. This bill will completely eliminate these counterproductive policies and, while other members of Congress have their own ideas on how to improve our Social Security system, this legislation is the only one that completely repeals both harmful provisions.

Nationwide, nearly 1.5 million people are affected by the WEP, meaning that those who receive a public pension from a job, and are not covered by Social Security, see their benefits reduced. For example, a teacher who spends summers working a second job, or a first responder who leaves the force after years of service, but is not yet ready to retire, can see his or her benefits reduced by up to 40 percent.

In 2012, the GPO reduced the Social Security benefits of nearly 600,000 surviving spouses, who also collect a government pensions, by nearly two-thirds. Nine out of 10 public employees affected by the GPO lost their entire spousal benefit, even though their spouse paid Social Security taxes.

> Social Security is a promise that the federal government made to its citizens.

We should hope for our young adults, and workers from all walks of life, to aspire to serve their communities and become public servants. However, policies like the WEP and GPO only discourage our young people from becoming teachers, firefighters, and public health workers.

I have proudly introduced this important legislation every single Congress since coming to the House of Representatives in 2013. Despite having over 100 bipartisan cosponsors each Congress, the bill has received little attention from House leadership. In September 2018, myself and my colleague, Representative Garret Graves (R-LA) offered this bill as an amendment to the Family Savings Act, which was part of Representative Kevin Brady's "Tax 2.0" package. Then in May of 2019, we offered the legislation as an amendment to H.R. 1994, the Setting Every Community Up for Retirement (SECURE) Act which passed the House 417-3. Unfortunately, both times, the amendment was defeated in the House Committee on Rules.

Social Security is a promise that the federal government made to its citizens. It is a promise that millions of Americans depend on, and one that must be there for them when they retire. I am the proud sponsor of H.R. 141, and I look forward to continuing to work with my colleagues on both sides of the aisle to ensure that we keep the promises we made to our public-sector employees.

We must work together to increase the support for this legislation that currently has over 200 cosponsors for the first time in years. Help me by calling your own member of Congress and asking them to cosponsor H.R. 141. ■

The opinions expressed in "Congressional Corner" reflect the views of the writer and are not necessarily those of TSCL.

BEST WAYS TO SAVE

How Much Should You Spend on Vet Care for Your Pets?

Managing the cost of pet care grows more emotionally and financially challenging as we and our pets age. The cost of care often sets up ethical dilemmas, especially for older adults facing unfunded gaps in retirement income.

The cost of veterinarian services is growing nearly three times faster than Social Security benefits. While retirees are making do with a 1.6% COLA in 2020, veterinarian services increased 4.7% from January 2019 to January 2020. Over the same period, costs for physicians of human patients rose just 0.7%.

Vet services are estimated to cost at least $260 per year for dogs, and about $178 per year for cats, while many of us pay much more, even with so-called senior discounts. Diagnostic procedures can cost over $1,000, while some surgeries can run in the thousands of dollars.

Here are some ways to trim the cost of visits to the vet.

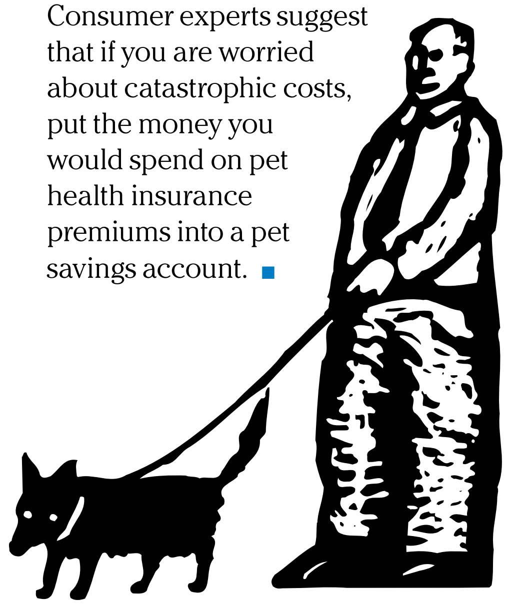
Look for discounted annual vaccination clinics. While you don't want to skip annual exams and vaccines, you might be surprised to learn that many recommended vaccines are licensed to be effective for three years or more. However, all pets are different and some non-core vaccines may need to be given more frequently. State and local laws can affect how frequently some vaccines are given. Ask for a copy of your pet's vaccination records, if you don't already have them. Then check around for low-cost spay & neuter clinics that also offer discounted vaccinations. To learn more about discounted vaccines, contact your local SPCA, animal shelter, or local pet supply stores to learn what may be scheduled in your area.

Shop around for heartworm and flea preventatives. Heartworms can kill your dog or cat, while fleas and ticks carry dangerous diseases that can be transmitted to humans. While vets often have discount coupons associated with these products, if you want to save more money, it's important to compare prices, especially at pet supply websites such as 1-800-PetMeds, and Chewy.com. Those companies often have much lower prices, especially after discounts are thrown in.

Get prescriptions from your veterinarian for medications. When your vet prescribes antibiotics or any other drug, don't automatically buy all the pills from the veterinary practice. Ask for a prescription. Often, you can get a cheaper price from your pharmacist instead, so check first. You can get a pet medication discount card from Costco, CVS, Rite-Aide, Walgreen's and Walmart. Compare prices with reputable online companies as well.

Shop online for supplements and vitamins. Have you ever been surprised by a recommendation to put your dog on pet glucosamine or another joint supplement? Prices for these supplements at the vet can be up to 30% more than ordering these supplements online. Compare these prices at pet supply websites.

Pet health insurance may not be worth the cost. While many veterinarian practices have brochures for pet health insurance, shop carefully, and read the fine print about what these policies do and don't cover. Pet owners can expect to pay between $30 to $60 per month for premiums, often more than what you pay in services most years. Consumer experts suggest that if you are worried about catastrophic costs, put the money you would spend on pet health insurance premiums into a pet savings account. ■



Benefits Lose 30% of Buying Power; continued from page 1

pocket costs, housing, and homeowner's insurance were among the most rapidly-rising costs over the past year.

Based on consumer price index (CPI) data through April of this year, Johnson estimates that the COLA for 2021 will be zero. That estimate could change, however, since there are still five months of consumer price index data to be collected before the Social Security Administration announces the COLA in October.

Participants in The Senior Citizens League's surveys indicate that household medical expenses consume a significant portion of their monthly income. More than 39 percent of respondents to a recent survey say that they spend more than $750 per month on Medicare and other healthcare costs. In 2020, the average Social Security benefit is $1,460, but the 1.6 percent COLA raised the average Social Security benefit by only $23.40 per month this year. The chart, right, illustrates ten of the fastest growing retiree costs since 2000.

TOP TEN FASTEST GROWING COSTS OF OLDER AMERICANS SINCE 2000

Item	Cost in January 2000 *(Average cost $ or numeric data*)*	Cost in January 2020 *(Average cost or numeric data*)*	Percent Increase Since 2000
1. Prescription drugs Annual average out-of-pocket (annual)	$1,102.00	$3,875.76	252%
2. Medicare Part B premiums (monthly)	$45.50	$144.60	218%
3. Homeowner's insurance (annual)	$508.00	$1,389.90	174%
4. Home heating oil (gallon)	$1.15	$3.12	172%
5. 10 lbs. potatoes (gold)	$2.98	$7.98	168%
6. Veterinarian services	109.300*	272.904*	150%
7. Medigap (average monthly premium, all plans)	$119.00	$295.64	148%
8. Total medical costs, not including premiums (annual)	$6,140.00	$14,151.00	130%
9. Real estate tax (annual)	$690.00	$1,579.06	129%
10. Oranges (lb.)	$.61	$1.34	120%

**Numeric data from the Bureau of Labor Statistics is used when national average price data is not available.*

Social Security benefits have lost 30 percent of buying power since 2000.

The study found that a person who retired in 2000—with an average Social Security benefit of $816 per month—would have $1,246.20 per month by 2020. However, because retiree costs are rising at a substantially faster pace than the COLA, that individual would require a Social Security benefit of $380.00 *more* per month, or a total of $1,626.20 in 2020, *just to maintain his or her 2000 level of buying power.*

The study examined the increase in costs of 40 key items between 2000 and January 2020. The items were chosen because they are typical of the costs of most Social Security recipients, and include expenditures, like the Medicare Part B premium, that are not measured by the index currently used to calculate the COLA. Of the 40 items analyzed, 26 exceeded the COLA over the same period while 14 were lower than the COLA.

This study illustrates why legislation is needed to provide a more fair and adequate COLA. To put it in perspective, for every $100 worth of groceries a retiree could afford in 2000, that individual can only buy $70 worth today.

To help protect the buying power of benefits, TSCL supports legislation that would provide a modest boost in benefits, base COLAs on the Consumer Price Index for the Elderly (CPI-E) and guarantee a COLA no lower than 3 percent. To learn more, visit www.SeniorsLeague.org. ■

ASK THE ADVISOR

Can You Tell Me How Recent Law Changes Affect Required Minimum Distributions from My 401(k)?

Q: The value of my 401(k) fell in March of this year and still hasn't fully recovered. I turned 70 in April. Will I be forced to sell investments at a loss in order to withdraw the required minimum amount?

A: You might be able to avoid doing so. Coronavirus stimulus legislation (CARES Act) that was signed into law in March waives required minimum distributions (RMDs) in 2020 for anyone who owns a 401(k), 403(b), or IRA. Instead of taking money from your retirement accounts this year, retirees can wait, or take less, to give investments time to recover. That's helpful, because most RMDs are based on the value of your retirement accounts on December 31st of the previous year.

For example, RMDs for retirees who turned 70½ in 2019 would have been based on the value of their retirement accounts on December 31, 2019. At that time the Dow was 28,462 compared to 24,101 on April 1, 2020, when their RMD was due. However, the CARES Act waiver applies to this group as well as people like you who turn 70½ in 2020.

In addition, major changes to RMD rules were already underway prior to the CARES Act. The SECURE Act, which passed in 2019, extended the age requirement for starting RMDs. If you reach age 70½ in 2020 or thereafter, you may wait until April 1 of the year after you reach age 72 to take your first RMD. For you, that's April 1, 2023. That gives your 401(k) more time to recover.

Your RMD is the minimum amount that you must withdraw from retirement accounts each year. Failure to do so by your deadline can result in a penalty equal to 50% of the required amount not withdrawn.

Some financial advisors say that there may be some tax advantages to taking money out now while valuations are lower. This information is not intended as investment advice. We strongly recommend that you contact the custodian of your 401(k) or your financial advisor and discuss a plan for your income needs and to explore potential sources of funds.

The IRS has an FAQ about RMDs here: https://www.irs.gov/retirement-plans/retirement-plans-faqs-regarding-required-minimum-distributions.

How did the coronavirus affect you? Your answer helps Congress understand the needs of older Americans. Please participate in TSCL's 2020 Senior Cost Survey at www.seniorsleague.org/2020-senior-cost-survey. ■

Are You Affected by High Out of Pocket Costs for COVID-19? continued from page 1

higher deductibles and out-of-pocket costs in future years.

The coronavirus is putting pressure on Medicare, not only for the enormous number of Medicare-covered hospitalizations for COVID-19, but also the high cost of those patients who require ventilator support, and a 20% increase in Medicare payment rates for coronavirus patients that Congress passed in recent coronavirus legislation. According to information from the Peterson Kaiser Health System Tracker, many hospitalizations for COVID-19 treatment will cost around $20,000, but severe cases could cost several times more than that.

Also unknown is the degree to which Medicare beneficiaries have forgone or delayed getting needed care as facilities postponed elective services to relieve strain on medical systems. Elective care refers to care that is not urgent, even if the procedure is lifesaving or improves quality of life. Experts believe the postponed care may put some downward pressure on costs for 2020 but could increase costs for 2021. Some types of delayed care could worsen health conditions and cause higher spending later.

The cost of treatment for COVID-19 is high, and federal Medicare spending is expected to increase more than it otherwise would. In order to educate lawmakers in Congress and the general public, TSCL is interested in learning how older Americans are impacted by this disease. Send your comments and, if you haven't already done so please take TSCL's Survey of Senior Costs (https://seniorsleague.org/2020-senior-cost-survey). ■

Source: "How Much Could Medicare Beneficiaries Pay For a Hospital Stay Related to COVID-19?" Neuman, Damico, Cubanski, Kaiser Health News, *March 24, 2020.*

No COLA Expected for Next Year; continued from page 1

working adults, it doesn't fairly reflect the cost increases experienced by retirees, especially for medical care. If this sounds like a poor match for an inflation adjustment for retirees, TSCL agrees!

> …because the COLA is adjusted using a CPI that measures cost changes experienced by younger working adults, it doesn't fairly reflect the cost increases experienced by retirees…

For example, gasoline is weighted more heavily under the CPI-W. In a typical economy where everyone is working normally, energy costs represent a larger share of the spending for younger working adults. A drop of this size in oil prices has a much bigger impact on COLAs than rising medical costs, even though healthcare costs have gone up dramatically in 2020. Under the CPI-W, medical costs have less weight because younger working adults tend to spend less on healthcare. Worst of all, because the CPI-W represents the spending of younger adults, it doesn't reflect the growth in Medicare premiums (Part B and supplements) at all, which are among the fastest growing costs of adults age 65 and older.

If the COLA for 2021 is zero, we could be in for the biggest jump in Medicare Part B premiums in more than two decades. There are three major factors causing this:

- **Higher costs for 2020 already expected.** Even before the coronavirus hit, the Department of Health and Human Services estimated that Medicare spending would increase about 2% faster than previously thought in 2019, up from 5%, to 7% in 2020.
- **High utilization costs due to COVID-19.** Not only are older patients at highest risk of coronavirus, but the disease can require long hospitalizations lasting up to three weeks. In addition, COVID-19 is apt to bring high prescription costs with it, and potential costs for follow-up care.
- **Zero COLAs trigger huge spikes in Medicare Part B premiums.** When there is no COLA, a special provision of law is triggered that in turn can lead to stratospheric increases in the Medicare Part B premium. Under the Social Security "hold harmless" provision, when the dollar amount of the Medicare Part B premium increases more than the dollar amount of an individual's COLA, their Part B premium increase will be adjusted downward to prevent a reduction in benefits from one year to the next. This is an important protection for beneficiaries, but it can lead to long periods of no growth in Social Security benefits after reduction for Part B premiums, as beneficiaries get caught up to current premium levels down the road. Even worse, not all beneficiaries are protected by "hold harmless." About 30% of Medicare beneficiaries are not, and the overall program cost for Medicare Part B premiums is spread over this much tinier group. Instead of 57 million people paying Part B premiums in 2021, the premium may be spread over just 18 million who then bear the entire burden of significantly higher costs.

After the COLA announcement in 2015, the Medicare Trustees initially projected that Part B premium and deductible amounts would increase by an unprecedented 52% from \$104.90 to \$159.30 between 2015 and 2016. Senior advocates, including TSCL urged Members of Congress to enact legislation which reduced the Part B premium to \$121.80. That was still an increase of more than 16% over the previous year.

What can we do to avoid this situation again in 2020? If the COLA is zero, then emergency legislation may again be required, either to adjust the Medicare Part B premium, or to provide Social Security recipients with an emergency COLA high enough to offset increased Medicare premiums.

I'm interested in hearing your comments about this situation, and learning how rising costs are impacting your retirement. Send us an email at www.SeniorsLeague.org. ■

Let's Stop Calling for Payroll Tax Cuts—Preserve Social Security and Medicare Instead; continued from page 2

decide to go ahead and claim Social Security benefits now because they can't afford to wait—especially if their retirement accounts have gone down significantly in value.

The 2020 Medicare Trustees report recently estimated that the Hospital Insurance Trust fund will become depleted in about six more years—2026. The high level of hospitalizations of seriously ill Medicare patients due to the coronavirus may further shorten the life expectancy of the Medicare Trust Fund.

During the nation's recovery from the 2007–2009 Great Recession, and Troubled Asset Relief Program bailouts, Social Security and Medicare became frequent targets of deficit cut negotiations. Deficit plans included proposals to tie the annual Cost-of-Living Adjustment (COLA) to the more slowly—growing chained consumer price index which has been dubbed "chaining the COLA." The Budget Control Act of 2011 led to automatic 2% annual Medicare cuts on payments to providers for most of the past decade. That cut affected all Medicare providers, including hospitals, doctors, nursing staff. These are the very same providers that have been dangerously strained by the coronavirus pandemic.

The Senior Citizens League (TSCL) is encouraging the public to ask President Trump to stop calling for payroll tax cuts, and to preserve Social Security and Medicare. To learn more visit www.SeniorsLeague.org. ■

I Lost My Job and Health Insurance—What Should I Do? continued from page 2

COVID-19 leaves uninsured people at risk for potentially catastrophic healthcare costs.

Because you are over the age of 65, you are eligible for Medicare. When you lose employer provided health insurance, you have a limited period of time to enroll in Medicare and to get your healthcare coverage set up. If you act right away, you should qualify for Medicare's Special Enrollment Period, which would allow you to avoid permanent late enrollment penalties that significantly drive up the cost of your Medicare insurance. You have an 8-month period *that began the month your employment ended* to avoid penalties and coverage gaps (April 2020–November 2020). Since this process can take time, we recommend that you get started. Generally you need to apply for Medicare Part B through the Social Security website. Since your situation is complicated, we encourage you to get free one-one-one counseling through your State Health Insurance Assistance Program (SHIP). Contact info: www.shiptacenter.org.

During this Special Enrollment Period, you will be able to enroll in Medicare Part B, and to select how you want to receive your coverage—through traditional Medicare, with a Medigap supplement and Part D plan for drug coverage—or a Medicare Advantage plan with prescription drug coverage. The Special Enrollment Period applies when your former health insurance was under a group health plan with 20 or more employees.

Since you lost your job, your income may now be low—and you did not mention any retirement savings. You could find that you qualify for low-income programs that help pay your Medicare Part B premiums and drug costs.

Because you are over 65, you may be at or near your full retirement age, the age at which can receive the full amount of your Social Security benefits without reduction. You can start retirement benefits now and still continue to look for work. However, if you are under your full retirement age—66—when you return to work, you may be subject to Social Security's earnings restriction for the period until you turn 66.

You also may qualify for low-income programs that help with your Medicare Part B premiums and drug costs.

How has the coronavirus affected you? Take TSCL's 2020 Senior Cost Survey at www.seniorsleague.org/2020-senior-cost-survey. ■