

IMPORTANT INFORMATION ABOUT MEDICARE AND HEALTH SAVINGS ACCOUNT (HSA)

If a person has enrolled in Medicare and has a Health Savings Account (HSA), any Medicare enrollment will eliminate the financial advantage of contributing to an HSA. If the beneficiary delays Medicare enrollment more than six (6) months after they turn 65, the Social Security Administration will backdate the Part A effective date to 6 months prior to the enrollment. Any HSA contributions on or after the earliest Medicare effective date is considered taxable income. The Medicare beneficiary needs to speak with his/her tax professional as soon as possible to minimize any fines and/or penalties.