



Centers for Medicare & Medicaid Services National Training Program

Key Messages: Medicare Enrollment: U.S. Citizens Living Abroad

Scenario 1 – Bianca – Key messages

- **Medicare Part A automatic enrollment** – If you live outside the U.S. and you're getting Social Security benefits for at least 4 months before you turn 65, you'll be automatically enrolled in Part A (Hospital Insurance) but not Part B (Medical Insurance).
- **Medicare enrollment periods** – If you miss the 7-month Medicare Initial Enrollment Period (IEP) associated with your 65th birthday, and you don't qualify for a Special Enrollment Period (SEP), you may only apply for Part B during the General Enrollment Period (GEP). You might have coverage gaps and late enrollment penalties.
- **Part B late enrollment penalty** – The Part B late enrollment penalty is a lifetime penalty of 10% for each full 12-month period you could've been enrolled, but weren't. The penalty amount can change each year, depending on your income from 2 years ago and the standard Part B premium, which can change each year.
- **Medicare prescription drug coverage (Part D) Initial Enrollment Period (IEP)** – If you're a U.S. citizen moving back to the U.S., the Medicare prescription drug coverage (Part D) IEP is the 7-month period that starts 3 months before (and ends 3 months after) the month you return to live in the U.S. If you miss your IEP and don't qualify for an SEP, you'll have to wait until the next Medicare Open Enrollment Period (OEP), and you'll have a lifetime late enrollment penalty.
- **Part D late enrollment penalty** – To calculate the Part D late enrollment penalty, multiply 1% of the national base beneficiary premium for the current year by the number of full, uncovered months you didn't have Part D or creditable prescription drug coverage. Round that amount to the nearest 10 cents to get the penalty amount to be added to your monthly Part D plan premium.
- **Help for people with limited income and resources** – If you have limited income and resources, you may get help from your state to pay your Medicare premiums, deductibles, and copayments when you return to the U.S. The amount of help can vary from state to state based on income and resources, and the state's rules.

Scenario 2 – Kumar – Key messages

- **You can't use Medicare outside the U.S.** – If you have Medicare when you move abroad, you might choose to keep it and pay your premiums so you won't have late enrollment penalties if you return to the U.S. to live.
- **Eligibility for Medicare enrollment for U.S. citizens living abroad** – As long as you live outside of the U.S. and don't qualify for Social Security benefits, you can't enroll in Medicare.
- **Medicare enrollment periods** – You can only enroll in Medicare during certain enrollment periods. Your Medicare Initial Enrollment Period (IEP) occurs when you meet the eligibility requirements (for people 65 and over living abroad, it starts the month you return to the U.S. and ends 3 months after).
- **Enrollment for people turning 65 who live abroad** – If you're living abroad and want to enroll in Medicare during the IEP associated with your 65th birthday, you should contact either the American Embassy or the Consulate in the country in which you're residing.
- **Most people get premium-free Part A** – You won't pay a monthly premium for Medicare Part A coverage if you or your spouse paid Medicare taxes for a certain amount of time while working. This is sometimes

called “premium-free Part A.” Most people get premium-free Part A.

- You can get premium-free Part A at 65 if:
 - You already get retirement benefits from Social Security or the Railroad Retirement Board.
 - You’re eligible to get Social Security or Railroad Retirement benefits but haven’t filed for them yet, or
 - You or your spouse had Medicare-covered government employment.
- If you’re under 65, you can get premium-free Part A if:
 - You got Social Security or Railroad Retirement Board disability benefits for 24 months, or
 - You have End-Stage Renal Disease (ESRD) and meet certain requirements.
- If you or your spouse don’t qualify for Social Security benefits, you generally have to pay a monthly Part A premium.
- **Some people have to pay for Part A** – If you or your spouse don’t qualify for Social Security benefits, you generally have to pay a monthly Part A premium. If you must pay for Part A, you’ll pay the full amount if you or your spouse paid Medicare taxes for less than 30 quarters. If you or your spouse paid Medicare taxes for 30–39 quarters, you’ll pay a reduced amount. The amount may change each year.
- **Part A late enrollment penalty** – If you must pay for Part A, and miss your IEP, you’ll have to pay a late enrollment penalty. If you have a penalty, what you pay monthly for Part A may go up 10%. You’ll have to pay the penalty for twice the number of years (or full 12-month periods) you could’ve had Part A, but didn’t sign up. The total (including the penalty) is based on the Part A premium, which can change each year.
- **Opportunities to buy a Medigap policy or enroll in a Medicare Prescription Drug Plan or Medicare Advantage Plan** – When you enroll in Medicare during your IEP, you also have the opportunity to buy a Medicare Supplement Insurance (Medigap) policy, enroll in a Medicare Prescription Drug Plan (Part D), or enroll in a Medicare Advantage Plan, provided you live in the plan’s service area (U.S. or territories). You must have Medicare Part A and Part B to enroll in a Medicare Advantage Plan or to buy a Medigap policy.
- **Opportunity to enroll through a Health Insurance Marketplace** – If you’re not eligible for premium-free Part A, you may be able to enroll in coverage through a Health Insurance Marketplace instead of Medicare. You may get premium tax credits or cost sharing reductions to help pay your Marketplace plan premium and other costs, depending on your income and household size.
- **Help for people with limited income and resources** – If you have limited income and resources, you may get help from your state to pay your Medicare premiums, deductibles, and copayments when you return to the U.S. The amount of help can vary from state to state based on income and resources, and the state’s rules.

Scenario 3 – Lois – Key messages

- **You can’t use Medicare outside the U.S.** – Some people choose to keep Medicare and pay their premiums so they won’t have late enrollment penalties if they return to the U.S. to live.
- **General Enrollment Period (GEP)** – If you stop your Medicare coverage when you move out of the country, you may have a gap in coverage if you move back to the U.S. because you can only enroll during the GEP, January 1–March 31. Your coverage won’t start until July 1.
- **Dropping Part B** – You can drop Part B, but if you do, you’ll pay a late enrollment penalty if you return to the U.S. and re-enroll. To stop Part B, you’d need to contact Social Security. Terminating Part B is a serious decision, and you may need to have a personal interview with a Social Security representative.
- **Dropping a Medigap policy** – You can drop your Medigap policy, but if you return to live in the U.S., you might not be able to buy another policy. If you can, it will likely cost more than what you currently pay. Coverage for a pre-existing condition may be excluded or delayed. Medigap policies are sold by private companies, so if you decide to cancel your Medigap policy, you’ll need to contact the company that sold it to you.

FAQs

Here are some answers to other questions people might have about Medicare if they live abroad or are planning to live abroad.

Why might U.S. citizens living abroad decide to enroll in Medicare?

Even though you can't use Medicare outside the U.S., you can use your coverage if you travel to the U.S. or U.S. territories. Or, you may expect to return to the U.S. to live in the future, and want to avoid a late enrollment penalty for Part A (if you have to buy it) or Part B if you wait to enroll later.

If you first qualify for Social Security benefits when you live abroad, you may want to enroll in Medicare during your Medicare Initial Enrollment Period (IEP). If you miss your IEP, you may have to wait until the General Enrollment Period (GEP), and your coverage wouldn't start until July 1.

How do U.S. citizens enroll in Medicare if they're living outside the U.S.?

To enroll, contact either the American Embassy or the Consulate in the country in which you're residing. Select the RESOURCES tab for contact information.

Can a U.S. citizen living abroad enroll in a Medicare Advantage Plan or a Medicare Prescription Drug Plan (Part D), or buy a Medigap policy?

You can't enroll in a Medicare Advantage Plan or a Medicare Prescription Drug Plan (Part D) unless you live in the service area of the plan. Medigap policies are sold by private insurance companies in the state where you live.

Remember:

- You must have Medicare Part A and Part B to join a Medicare Advantage Plan or to buy a Medigap policy.
- You can have Part A, Part B, or both to join a Medicare Prescription Drug Plan (Part D).
- If you move back to the U.S., you'll get a Part D Initial Enrollment Period (IEP) that starts 3 months before (and ends 3 months after) the month you return to live in the U.S.
- Your 6-month Medigap Open Enrollment Period begins when you enroll in Part B.

To view all available CMS National Training Program training materials, visit [CMSnationaltrainingprogram.cms.gov](https://www.cms.gov/nationaltrainingprogram).

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