

Murphy's Four Principles of Medicare

May 22, 2006

If you are eligible to elect to begin contributing to Medicare as of September 1, 2006, there are several very important principles to keep in mind:

- 1. THIS DECISION IS THE ONE AND ONLY TIME YOU WILL BE OFFERED THIS OPTION.**

- 2. GIVEN THE INCREASING EXPENSES INCURRED BY THE STATE OF ILLINOIS FOR RETIREE HEALTH CARE COSTS, EVERYONE SHOULD SEEK TO QUALIFY FOR MEDICARE COVERAGE.**

- 3. SINCE MEDICARE COVERAGE IS EXTENDED TO THOSE WHO EARN 40 CREDITS, CURRENTLY BASED ON \$970 EARNINGS PER CREDIT, OUTSIDE PART-TIME EMPLOYMENT OR CONSULTING FEES AT A COST OF 1.45% COULD BE A MUCH MORE ECONOMICAL WAY TO GET COVERAGE THAN THROUGH 1.45% OF YOUR UNIVERSITY EARNINGS.**

- 4. IF YOUR SPOUSE IS ELIGIBLE FOR MEDICARE, THEN YOU ARE COVERED AS WELL.**

**If you have further questions, contact John Murphy
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