EMPLOYEE INFORMATION SHEET
Medicare

What Is Medicare?
Medicare is health insurance for individuals:

- Age 65 or older;
- Under age 65 with certain disabilities; and
- Any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

The Different Parts of Medicare
There are several different parts of Medicare coverage, Part A, B, C and D. These benefits are outlined below.

Medicare Part A
Medicare Part A is primarily for hospital coverage. There is usually no monthly premium for Part A coverage if you or your spouse paid Medicare taxes while employed. If you aren't eligible for premium-free Part A, you may be able to purchase coverage for Part A if you meet the citizenship or residency requirements and you are age 65 or older or you are under age 65, disabled, and your premium-free Part A coverage ended because you returned to work. For additional information on premiums for the current year, visit the Medicare website at www.medicare.gov.

Medicare Part A covers:

- Inpatient hospital care (including inpatient rehabilitation);
- Inpatient care in a skilled nursing facility (not long-term care);
- Hospice care services; and
- Home health care services.

How to Get Part A Coverage
Individuals receiving benefits from Social Security are automatically enrolled in Part A, starting on the first day of the month they turn age 65. Individuals under age 65 and disabled may also automatically receive Part A if they receive disability benefits from Social Security. Medicare cards are usually distributed 3 months before an individual's 65th birthday or when an individual reaches the 25th month of disability. Individuals with ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease), automatically receive Part A coverage the month their disability benefits begin.

Those not receiving Social Security benefits (because they are still working), must sign up for Part A even when they are eligible for premium-free Part A coverage. In these instances, individuals should contact the Social Security Administration at least 3 months prior to their 65th birthday. Individuals, who are not eligible for premium-free Part A, can enroll during the following periods:

- When you first become eligible for Medicare (3 months before you turn age 65 to 3 months after the month you turn age 65);
- The General period between January 1– March 31 of each year; and
- When an individual or spouse (or family member if you are disabled) is working and has group health plan coverage through the employer or union.

Medicare Part B

Medicare Part B covers medically necessary services like doctors' services, outpatient care, and other medical services or supplies that are needed for the diagnosis or treatment of a medical condition and meet accepted standards of medical practice. Part B also covers some preventive services such as those to detect illness at an early stage, when treatment is most likely to work best (for example, Pap tests, flu shots, and prostate cancer screenings). There is a standard premium amount paid by most individuals. Individuals who fail to sign up for Part B coverage when first eligible may pay an increase in premiums equal to 10% for each full 12 month period in which the individual was eligible but did not enroll. The exception is in cases where an individual delayed enrollment in Part B because they continued to work (or spouse continued to work) and received employer group health coverage. Costs for Part B services vary depending on whether an individual elects original Medicare or a Medicare health plan. For additional information on the premiums for the current year, visit the Medicare website at www.medicare.gov.

How to get Part B Coverage

Individuals receiving benefits from Social Security will automatically be enrolled in Part B coverage, starting the first day they reach age 65. Those under age 65 and disabled will also automatically receive Part B when they have received disability benefits from Social Security for 24 months. Medicare cards are usually distributed 3 months before an individual's 65th birthday or when an individual has received disability benefits for 25 months. Individuals opting out of Part B must follow the instructions that are issued with the Medicare card. Failure to return the card will result in automatic enrollment and the requirement to pay Part B premiums.

Individuals with ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease), automatically get Part B the month their disability benefits begin.

Those not receiving Social Security benefits (individuals still working), must sign up for Part B during the initial enrollment period (3 months prior to an individual's 65th birthday and ending 3 months following an individual's 65th birthday).

Individuals choosing not to sign up for Part B when eligible may sign up during one of the following timeframes:

- The **General Period** between January 1– March 31 of each year. Coverage will begin on July 1. The cost of your Part B will increase 10% for each full 12-month period in which an individual was eligible for Part B but opted not to enroll.
- **Special Enrollment Period** applies to individuals who sign up for Part B when the spouse is working and has group health plan coverage based on that work, or when disabled and individual or a family member is working and has group health plan coverage from their employer. Individuals may enroll in Part B any time while covered by a group health plan or during the 8-month period that begins the month the employment ends, or the group health plan coverage ends, whichever happens first.

A **Special Enrollment Period** also applies to individuals who had health insurance while serving as an International Volunteer. These individuals may sign up during the 6-month period that begins the month they are no longer a volunteer outside the United States, or the sponsoring organization is no longer tax exempt, or they no longer have health coverage outside the U.S., whichever comes first.

Part B and TRICARE Coverage

Individuals with TRICARE coverage (active-duty military or retirees and their families) must contact TRICARE to continue with TRICARE coverage. For example, individuals may be required to enroll in Part B when no longer on active duty and therefore, no longer eligible for TRICARE.

Part B and Group Health Plan Coverage from an Employer or Union

An individual's Part B enrollment rights may be affected when they have coverage through an employer (including the FEHB program) or union, and the individual or spouse continues to work. When the employment ends, three things happen:

- Individuals may get an option to elect Temporary Continuation of Coverage (TCC) to continue health coverage through the employer's plan (for only 18 months) and usually at a higher cost.
- Individuals may get a special enrollment period to sign up for Part B without a penalty. This period only lasts for 8 months after employment ends. This period will run concurrently with TCC election period and coverage whether TCC is elected or not. If TCC is elected and an individual waits until TCC ends, their special enrollment period will probably be over.

Medicare Advantage Plans (Part C)

Medicare Advantage Plans are health plan options (such as a Health Maintenance Organization or Preferred Provider Organization) approved by Medicare and offered by private companies. These plans are part of Medicare and are often called "Part C" or "MA Plans." Medicare pays a fixed amount for care provided every month to the companies offering Medicare Advantage Plans. These companies must follow rules set by Medicare. MA Plans provide your Medicare health coverage and usually Medicare drug coverage. They aren't supplemental insurance plans. It should be noted that each plan has different rules, but all plans cover emergency and urgent care. MA Plans provide all of your Part A (Hospital Insurance) and Part B (Medical Insurance) coverage. This means they must cover at least all of the services that Original Medicare (Parts A and B) cover. However, each MA Plan can charge different out-of-pocket costs. These are usually copayments but can also be coinsurance and deductibles. It's important to call any plan before joining to find out the plan's rules, what your costs will be, and to make sure the plan meets your needs. Some MA Plans offer extra coverage, such as vision, hearing, dental, and/or health and wellness programs. Most include Medicare prescription drug coverage (usually for an extra cost). You may need a referral to see specialists. Some MA Plans have provider networks. In some cases this means you can only see doctors who belong to the plan or may go to certain hospitals to get covered services (other than for emergency or urgent care or medically necessary dialysis). In some plans, if you see a doctor or other provider who doesn't contract or participate with the plan, your services may not be covered at all, or your costs will likely be higher. You should check with your doctors or hospital to find out if they accept the plan.

How to get a MA Plan (Part C)?

Individuals meeting the following conditions may enroll in a MA Plan:

- Has elected Part A and Part B coverage;
- Live within the service area of the plan; and
- Do not have End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Individuals choosing to enroll in a MA Plan may do so during the following periods:

- When first eligible for Medicare (3 months before 65th birthday to 3 months after 65th birthday);
- During the General Period between January 1– March 31 of each year. However, you cannot join or switch to a plan with prescription drug coverage during this time unless you already have Medicare prescription drug coverage (Part D). Additionally, plans with prescription drug coverage may not be cancelled and you may not join, switch, or cancel Medicare Medical Savings Account Plans during this period.

Medicare Prescription Drug Coverage (Part D)
Medicare offers prescription drug coverage (Part D) for everyone with Medicare. Individuals covered by Original Medicare (Parts A and B) and wishing to obtain Medicare drug coverage must join a Medicare Prescription Drug Plan. These plans are available through private companies that work with Medicare to provide prescription drugs. Each plan can vary with the cost of drugs and types of drugs covered.

How to get Medicare Prescription Drug Coverage
Individuals may obtain Medicare Prescription Drug coverage by enrolling in:

- A MA Plan or other Medicare health plan that offers Medicare prescription drug coverage. Participants obtain all of Part A and Part B coverage, including prescription drug coverage (Part D), through these plans.
- A Medicare Prescription Drug Plan that adds drug coverage to Original Medicare, some Medicare Cost Plans, some Medicare Private Fee-for-Service (PFFS) Plans, and Medicare Medical Savings Account (MSA) Plans.

Things to Consider When Choosing or Changing Coverage

- Does the Medicare health plan you are considering provide extra coverage you want that is not provided by Original Medicare?
- Are you eligible for other types of health or prescription drug coverage? If so, how does the coverage work with, or is it affected by, Medicare.
- How much are the premiums and deductibles?
- Do your current doctors accept the coverage?
- Does the Medicare health plan require you to choose your health providers and hospital from a network?
- Are referrals required to consult a medical specialist?
- Will you need to join a Medicare drug plan?
- What are the costs of your prescription drugs under the Medicare plan?

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General Medicare Information and Assistance
General information about enrolling in Medicare can be found by visiting www.medicare.gov and selecting, “Find Out if You Are Eligible for Medicare and When You Can Enroll.”; “Compare Health Plans and Medigap Policies in Your Area”; or “Compare Medicare Prescription Drug Plans.” You may also call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.