



Medicare: *It's Complicated*

submitted by the Office of Group Benefits



Active employees approaching retirement and retirees insured through the Office of Group Benefits (OGB) should learn about their Medicare options. In this article, we will provide an overview of what Medicare is, how to apply for it, and available options provided through OGB. The following is intended to serve as a guide only. Each person should consult his or her local Social Security Office for more detailed information.

As you or your spouse near the age of 65, you will be inundated with marketing material relative to Medicare options. Always consult with OGB to insure that the option you are considering will not negatively impact your OGB health insurance.

What is Medicare?

Medicare is the federal health insurance program, administered by the Centers for Medicare and Medicaid Services (CMS), for people who are retired and 65 or older, people under 65 with certain disabilities, and people with End-Stage Renal Disease (ESRD). Medicare provides basic coverage as follows:

- **Medicare Part A (Hospital Insurance)** – Part A helps to cover inpatient care in hospitals, care in a skilled nursing facility, hospice care, and some home health care.
- **Medicare Part B (Medical Insurance)** – Part B helps to cover certain doctors' services, outpatient care, medical supplies, and preventive services.
- **Medicare Part C (Medicare Advantage Plans)** - A Medicare Advantage plan includes both Part A and Part B. Most Medicare Advantage Plans offer prescription drug coverage. OGB sponsors several Medicare Advantage Plan options for members. If you enroll in a Medicare Advantage Plan not sponsored by OGB, you will lose OGB coverage and you cannot reenroll in OGB coverage.
- **Medicare Part D (Prescription Drug Coverage)** – Part D helps to cover the cost of prescription drugs.

Your OGB plan is your Medicare Part D plan. You should not enroll in a Part D plan that is not offered through OGB. If you do, your OGB health coverage will be terminated.

How do you apply for Medicare?

It is suggested that you and/or your covered spouse visit the nearest Social Security Administration office 90 days before your 65th birthday to find out if you are eligible for Medicare.

If you are eligible for premium-free Medicare Part A, you must also enroll in Medicare Part B to comply with OGB rules. Once you are enrolled in Medicare, OGB must be provided with a copy of your Medicare card. If the Social Security Administration (SSA) determines that you are not eligible to enroll in the Medicare A (premium-free), OGB will need a letter from SSA on that determination.

You can enroll for both Medicare Parts A and B any time in the 3 months before your 65th birthday month, during the month of your 65th birthday, or in the 3 months after your 65th birthday. We encourage you to apply before your birthday to avoid a coverage gap.

These are the basic rules:

- You (or your spouse, if he or she is covered by your OGB plan) must enroll in Medicare, if eligible, to continue receiving secondary benefits from your OGB health plan if:
 - You are retired and have no other group health plan coverage through present (active) employment; and
 - You turned 65 on or after July 1, 2005; and
 - You are eligible for Medicare individually or as a dependent of your current or previous spouse.
- You do not have to enroll in Medicare to continue your OGB coverage if:
 - You are not retired; or
 - You turned 65 before July 1, 2005; or
 - You are not eligible for premium free Medicare Part A.

Following these rules will allow you to have continuous health care coverage. Medicare will become your primary provider and OGB will be secondary.

What are my Medicare options through OGB when Medicare is primary?

Once you are enrolled in Medicare Parts A & B, your plan options increase. In addition to Medicare and your secondary OGB coverage, you will have the option to choose from several Medicare Advantage options offered by OGB, most of which have low monthly premiums.

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The Medicare Advantage options currently available through OGB are as follows:

- **Via Benefits** - Towers Watson's Via Benefits is an Individual Medicare Market Exchange that offers a variety of medical, prescription drug, and dental plans. These plans also include a health reimbursement arrangement (HRA), paid by your former employer, with the member receiving \$200 per month for retiree only coverage and \$300 per month for retiree and spousal coverage. The HRA funds can be used to reimburse qualifying medical expenses, even Medicare Part B monthly premiums.
- **Peoples Health Medicare Advantage** – The Peoples Health Medicare Advantage plan offers extra benefits like vision and dental coverage, free health club membership, and prescription drug coverage.
- **Vantage Health Plan Medicare Advantage** – Vantage Health Plan offers three Medicare Advantage plan options to OGB members: Vantage Premium HMO-POS, Vantage Standard HMO-POS, and Vantage Basic HMO-POS. One benefit to Vantage's Medicare Advantage plan is that a network of providers is already contracted with the plan throughout Louisiana.

You can learn more about the Medicare Advantage options available to you by visiting the OGB website at <http://info.groupbenefits.org/health-plans/>.

If you have any questions concerning Medicare and the options available through OGB, please call 1-800-272-8451 and select option 5.