



FEHB & Medicare: What's Your Best Choice?

A NARFE Federal Benefits Institute Webinar

Presented by Tammy Flanagan
Federal Retirement Benefits Expert

Sponsored by GEHA

It's Time to Think About Your Options

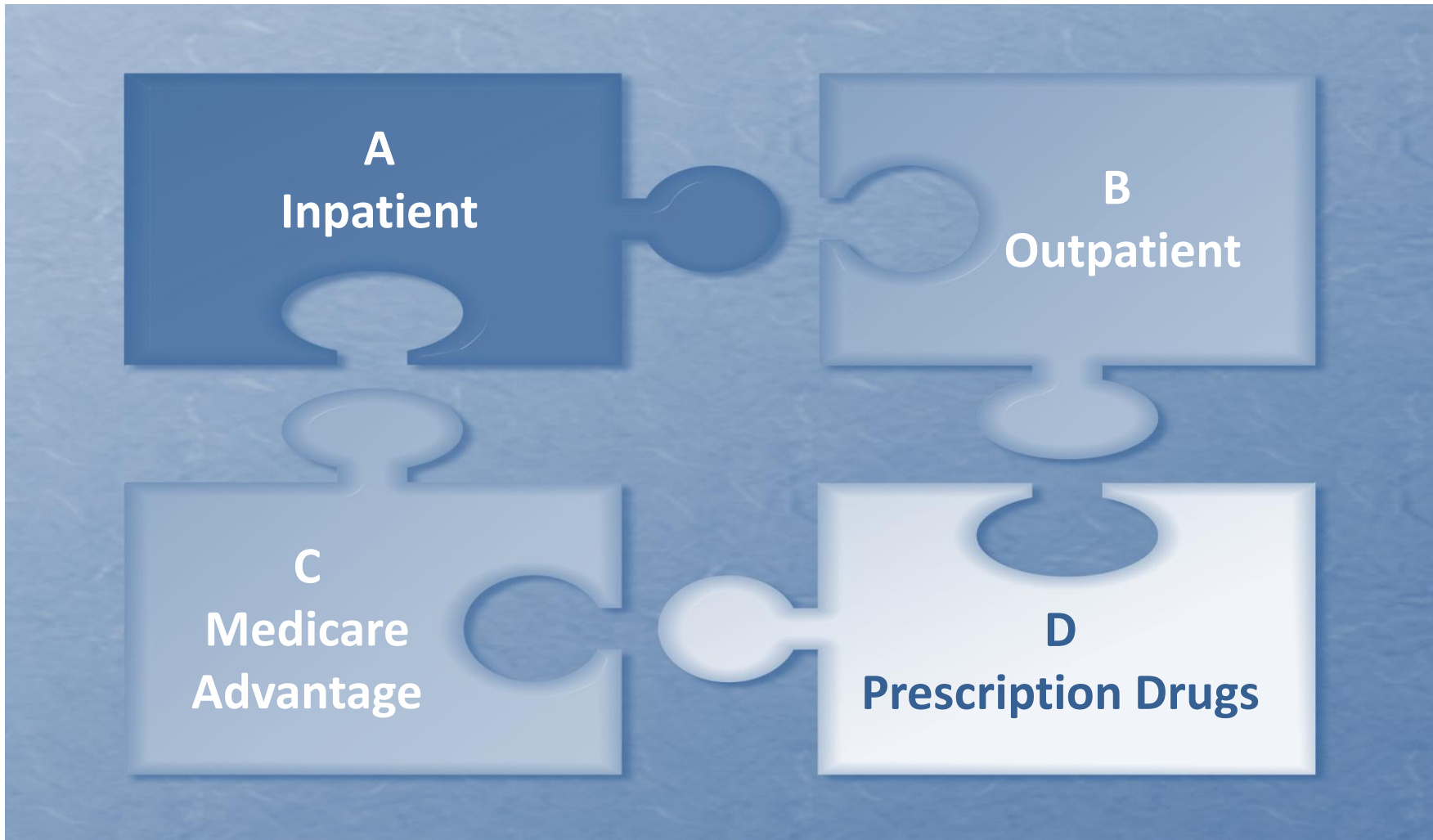


Reasons Why This is So Hard

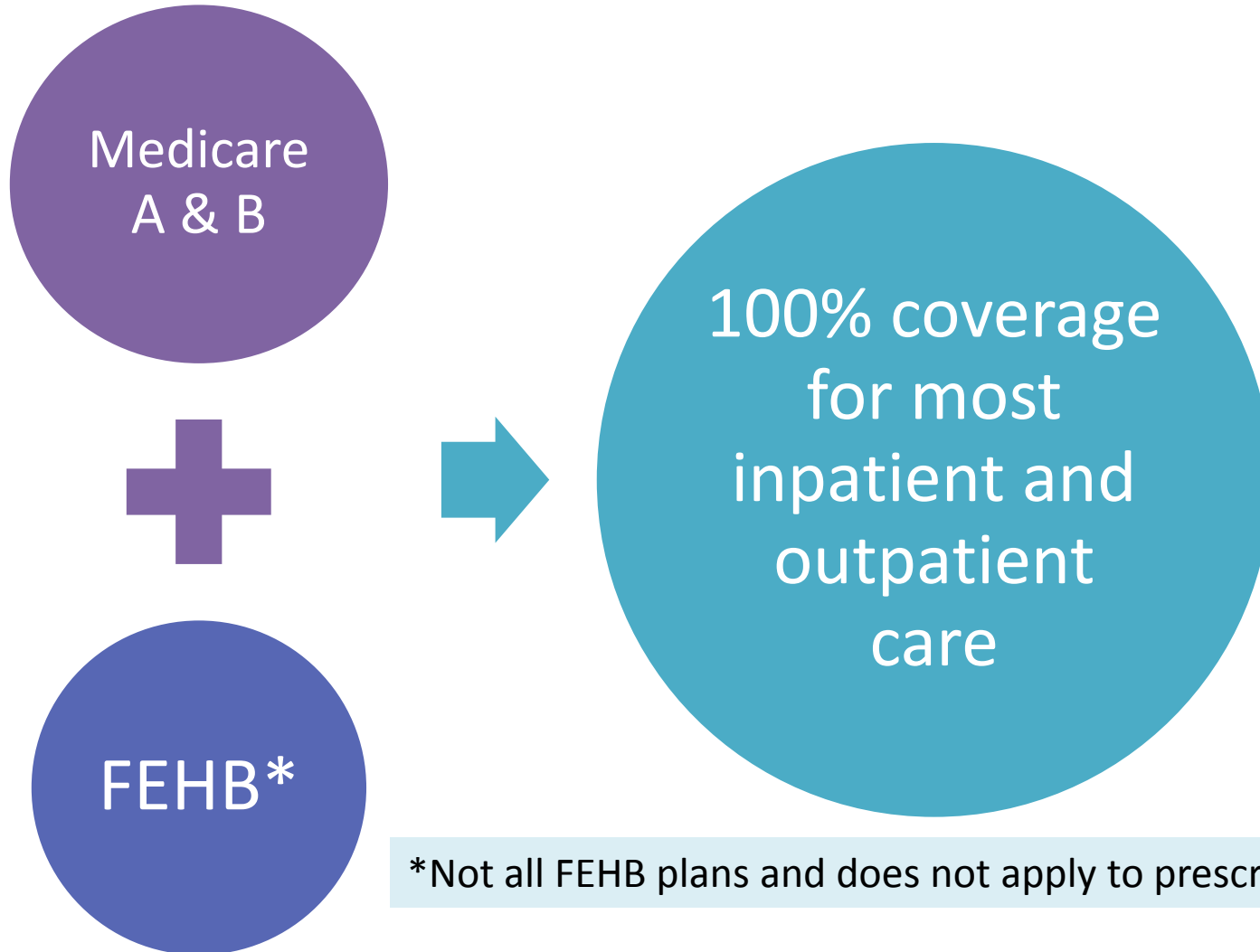
- What we have is working
- Part B of Medicare is expensive
- Insurance is complicated – too many moving parts!



Medicare Parts A, B, C, D



Wrap Around Benefits



*Not all FEHB plans and does not apply to prescriptions

Medicare Part B Premiums



Year	Part B Monthly Premium Per Person	Year	Part B Monthly Premium Per Person
1966	\$3	1996	\$42.50
1976	\$7.20	2006	\$88.50
1986	\$15.50	2007	\$93.50
2016	\$120.70 or \$104.90 (hold harmless provision)		Higher Premiums for Higher Income Beneficiaries
2017	\$134 - \$428.60 or \$109 (hold harmless provision)		
2018	\$134 - \$428.60 (sometimes less with smaller SSA)		
2019	\$135.50 - \$460.50		
2020	Premiums will be announced at www.medicare.gov		



Appeal Higher Medicare Part B Premium



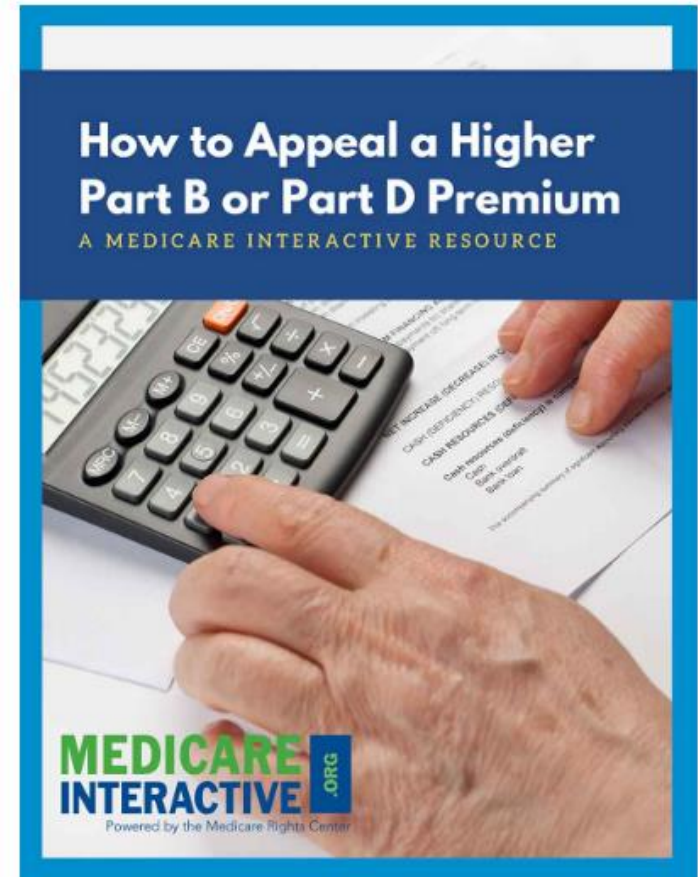
Medicare Income-Related Monthly Adjustment Amount

Life-Changing Event

<https://www.ssa.gov/forms/ssa-44.pdf>

Call 1-800-772-1213

1-800-SSA-1213



FEHB Cost Compare: Self Plus One



FEHB Plan	<u>Aetna Direct</u>	<u>BCBS Basic Option</u>	<u>Aetna Medicare Advantage</u>
Plan Code (Self Plus One)	N63	113	Z26
Monthly Premium 2019	\$305.56	\$369.56	N/A
Monthly Premium <u>2020</u>	\$335.89	\$386.99	\$255.11
Health Fund or Medicare Reimbursement	\$1,800.00	\$600 (2019) x 2 \$800 (2020) x 2	\$0.00
<u>Medicare Part B Premium</u> / per person (2019)	\$135.50 x 2	\$135.50 x 2	\$135.50 x 2
Total annual 2020 insurance cost	\$5,482.68	\$6,295.88	\$6,313.32

FEHB Cost Compare: Self Only



FEHB Plan	<u>Aetna Direct</u>	<u>BCBS Basic Option</u>	<u>Aetna Medicare Advantage</u>
Plan Code (Self Only)	N61	111	Z24
Monthly Premium 2019	\$139.33	\$159.74	N/A
Monthly Premium <u>2020</u>	\$153.16	\$164.55	\$115.96
Health Fund or Medicare Reimbursement	\$900.00	\$600 (2019) \$800 (2020)	\$0.00
<u>Medicare Part B Premium</u> / per person (2019)	\$135.50	\$135.50	\$135.50
Total annual 2020 insurance cost:	\$2,563.92	\$2,800.60	\$3,017.52

What determines the best option?



Silver Sneakers

Meals delivered

Prescription drug benefit

Teledoc

Health Fund For Part B



*National Center for Biotechnology Information

What Are Your Options?



Option 1

- Continue using FEHB and add Medicare Part A

Option 2

- Continue using FEHB and add Medicare Parts A & B
- Consider changing FEHB coverage
 - Save money
 - Better coordination

Option 3

- Suspend FEHB
 - Use Tricare for Life
 - Choose Medicare Advantage Plan

Option 1: Continue using FEHB and add Medicare Part A



Save cost of Medicare Part B

Continue to use FEHB

Late enrollment penalty for Part B

Higher expenses with chronic illnesses

Option 1: Continue using FEHB and add Medicare Part A



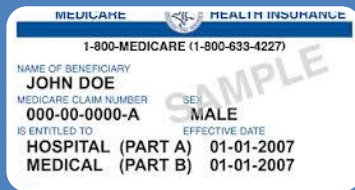
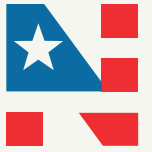
You or your spouse working at age 65?

Covered by “current employment” health plan?

Delay Medicare Part B

Special Enrollment Period for Medicare without late enrollment penalty

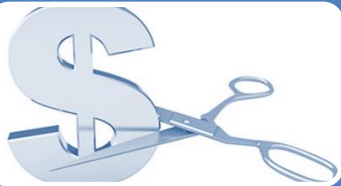
Option 2: Continue using FEHB and add Medicare Parts A & B



Wrap around coverage (many FEHB plans)



Plan may offer some Medicare reimbursement

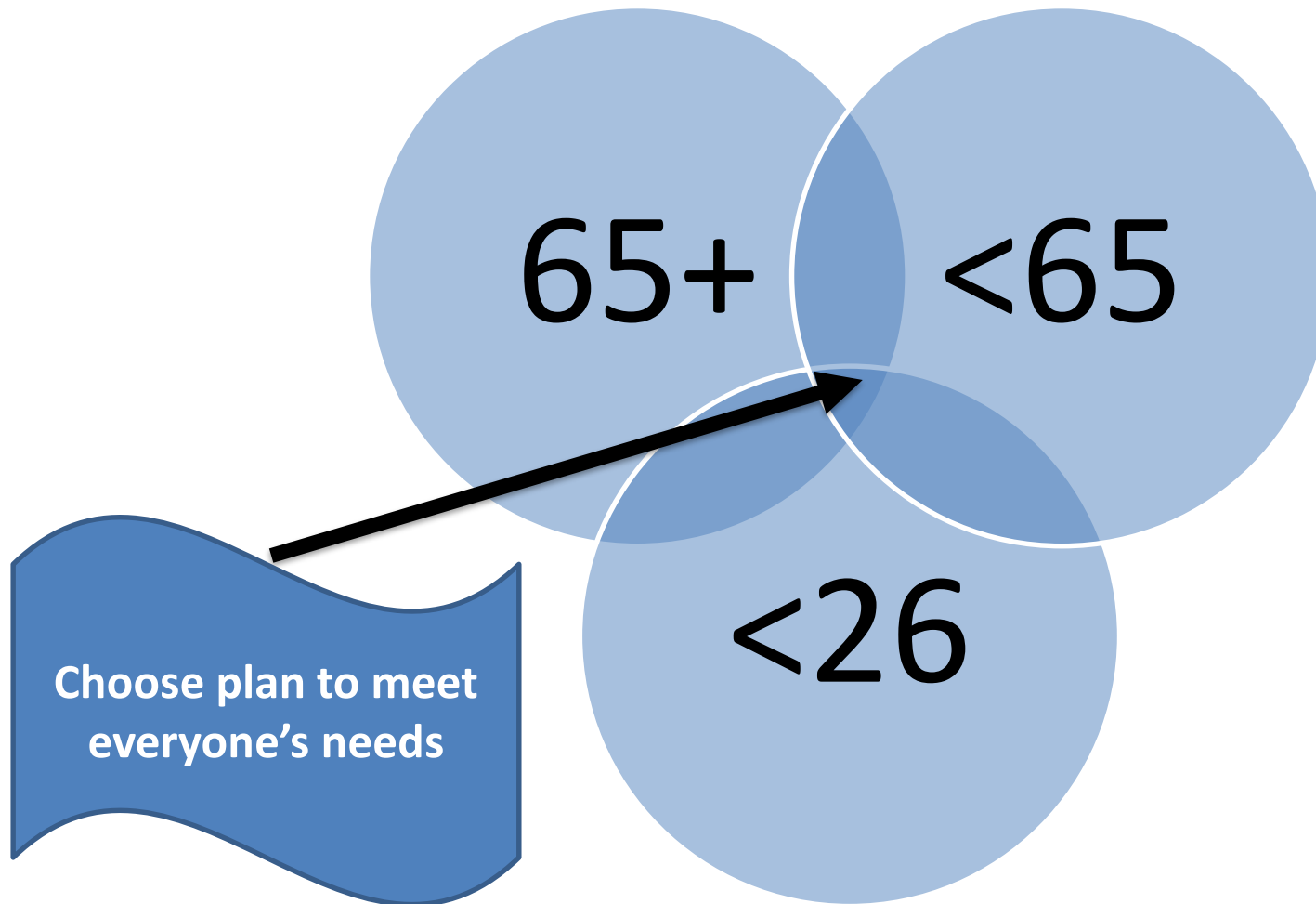


Choose plan with low premium



Evaluate prescription drug benefits

Option 2: Continue using FEHB and add Medicare Parts A & B



FEHB Cost Compare: Self Plus One



FEHB Plan	<u>GEHA High Option</u>	<u>BCBS Standard Option</u>	<u>NALC High Option</u>
Plan Code (Self Plus One)	313	106	322*
Monthly Premium 2019	\$535.73	\$555.83	\$393.49
Monthly Premium <u>2020</u>	\$534.11	\$578.83	\$408.94
Health Fund or Medicare Reimbursement	\$600	\$0	\$0
<u>Medicare Part B Premium</u> / per person (2019)	\$135.50	\$135.50	\$135.50
Total annual 2020 insurance cost:	\$7,435.32	\$8,571.96	\$6,533.28

*In this plan, Self and Family premiums are less than Self Plus One

Option 3: Suspend FEHB (retiree only)



Tricare

Tricare for Life or CHAMPVA or Peace Corps

- TFL requires Medicare A & B enrollment
- TFL Provides “wrap-around” benefit
- TFL Provides prescription drug benefit

Medicare Advantage

Medicare Part C

- Bundled plans
- Alternative to original Medicare (A & B)
- Contact *State Health Insurance Assistance Program (SHIP)*
- May qualify for extra help

Medicaid

State-Sponsored Medical Assistance for the Needy

Option 3: Suspend FEHB (retiree only)



Tricare For Life

- Must enroll in Medicare A & B
- May “Suspend” FEHB
- No need for Medicare Part D
- No need for Medicare Part C
- 1-800-538-9552
- 1-866-363-2883 (TDD/TTY)
- <http://www.tricare.mil/LifeEvents/Medicare.aspx>

TRICARE® and Medicare Turning 65

Remaining TRICARE-eligible when you become Medicare-eligible at age 65

TRICARE is here to help you get the most from your health care coverage. TRICARE For Life (TFL), TRICARE's Medicare-wraparound coverage, is available to you when you have Medicare Part A and Part B. This fact sheet provides important information about how Medicare affects your TRICARE coverage.

REMAINING TRICARE-ELIGIBLE

If you are entitled to premium-free Medicare Part A, you must also have Medicare Part B to keep TRICARE, regardless of your age or place of residence (*exceptions to this rule are discussed in the Delaying Part B Enrollment section of this fact sheet*). Once you have both Part A and Part B, you automatically receive TRICARE benefits under TFL. Keeping your information in the Defense Enrollment Eligibility Reporting System (DEERS) up to date is key to ensuring effective, timely delivery of your TRICARE benefits.

SIGNING UP FOR MEDICARE

The month you were born determines when you become Medicare-eligible and when you should visit a Social Security Administration (SSA) office to sign up for Medicare Part A and Part B. See the guidelines that follow and avoid late-enrollment premium surcharges:

If you were born on the first day of the month:

- You become eligible for Medicare on the first day of the month **before** you turn 65.
- Sign up for Medicare between **two and four months before** the month you turn 65.
- Your TFL coverage begins on the **first day** you have both Medicare Part A and Part B coverage.

If you were born after the first day of the month:

- You become eligible for Medicare on the first day of the month you turn 65.
- Sign up for Medicare between **one and three months before** the month you turn 65.
- Your TFL coverage begins on the **first day** you have both Medicare Part A and Part B coverage.

If you live in the United States or U.S. territories (*American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands*) and you already receive benefits from the SSA

This fact sheet is not all-inclusive. For additional information, please visit www.tricare.mil.



Remember:

There are Medicare Advantage Plans within FEHB:

- Kaiser Permanente Senior Advantage for Federal Members
- Aetna Medicare Advantage



When to Enroll in Medicare



Initial Enrollment Period

- Beginning 3 months before the month you turn 65
- Ending 3 months the month after you turn 65

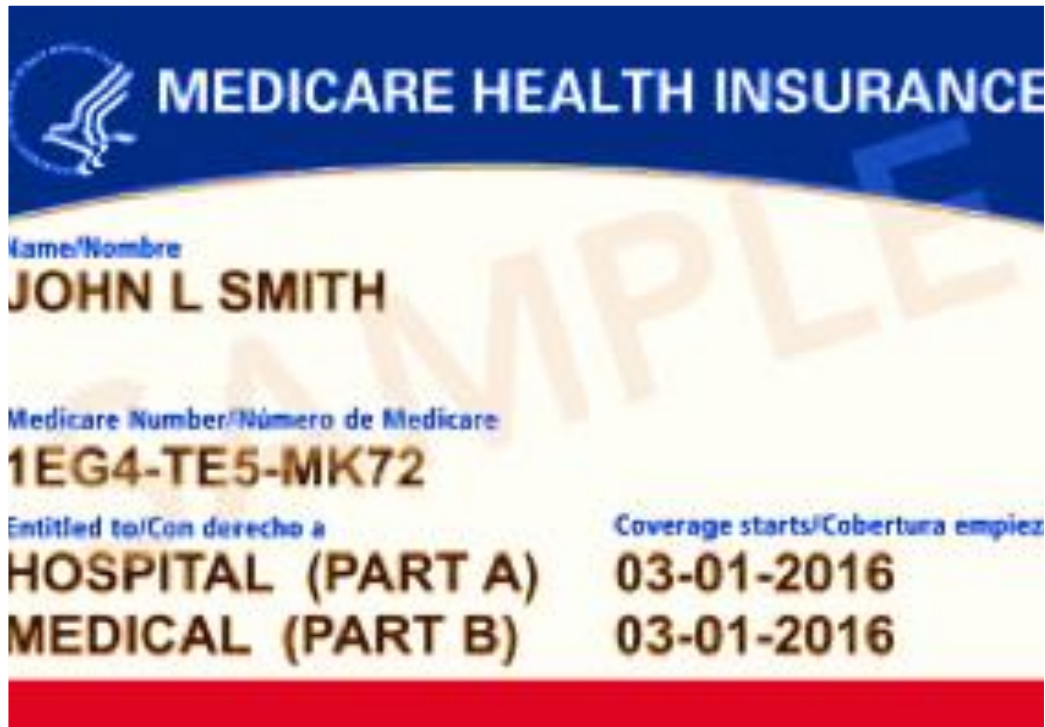
Special Enrollment Period

- 8 months following end of employment that included group health insurance coverage

General Enrollment Period

- January 1 – March 31 every year
- Coverage effective July 1

Enrolling in Medicare



Automatically enrolled...

**Receiving benefits
from Social Security
or Railroad**

Retirement at 65

OR

**Under age 65 and
disabled**

Enrolling in Medicare



- **Apply online**
www.ssa.gov
- **By phone**
1-800-772-1213
- **In person** at any Social Security office

The screenshot shows the Social Security Administration's website for applying for benefits. At the top, it says 'Social Security' and 'The Official Website of the U.S. Social Security Administration'. Below that, it says 'Apply for Benefits' and 'OMB No. 0960-0618 Paperwork Reduction Act'. The main heading is 'Apply Online for Retirement/Medicare Benefits'. There are three main sections: 'Getting Ready', 'Apply & Complete', and 'Follow Up'. 'Getting Ready' includes a list of two items: '1. Make sure you meet the requirements to apply online for Retirement/Medicare;' and '2. Gather all of the information you need to complete the application process.' 'Apply & Complete' includes a button 'Start a New Application' and a button 'Return to Saved Application Process'. 'Follow Up' includes a link 'Application Status'. On the right side, there is a 'Video Introduction' section with a video thumbnail and a 'More Information' section with links to 'When to Start Receiving Retirement Benefits', 'Other Ways To Apply for Benefits', and 'Your Right to Representation'. At the bottom, there is a 'Your privacy is important.' section with a link to the 'Privacy Act Statement'. At the very bottom of the page, there are links for 'Privacy Policy', 'Website Policies & Other Important Information', 'About Us', and 'Site Map'.



Enrolling in Medicare Part B



DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

Form Approved
OMB No. 0938-0787

REQUEST FOR EMPLOYMENT INFORMATION

WHAT IS THE PURPOSE OF THIS FORM?

In order to apply for Medicare in a Special Enrollment Period, you must have or had group health plan coverage within the last 8 months through your or your spouse's current employment. People with disabilities must have large group health plan coverage based on your, your spouse's or a family member's current employment.

This form is used for proof of group health care coverage based on current employment. This information is needed to process your Medicare enrollment application.

The employer that provides the group health plan coverage completes the information about your health care coverage and dates of employment.

HOW IS THE FORM COMPLETED?

- Complete the first section of the form so that the employer can find and complete the information about your coverage and the employment of the person through which you have that health coverage.
- The employer fills in the information in the second section and signs at the bottom.

WHAT DO I DO WITH THE FORM?

Fill out Section A and take the form to your employer. Ask your employer to fill out Section B. You need to get the completed form from your employer and include it with your Application for Enrollment in Medicare (CMS-40B). Then you send both together to your local Social Security office. Find your local office here: www.ssa.gov.

GET HELP WITH THIS FORM

- **Phone:** Call Social Security at **1-800-772-1213**
- **En español:** Llame a SSA gratis al **1-800-772-1213** y oprima el 2 si desea el servicio en español y espere a que le atienda un agente.
- **In person:** Your local Social Security office. For an office near you check www.ssa.gov.

CMS Form L564



Enrolling in Medicare Part B



DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

Form Approved
OMB No. 0938-1230

APPLICATION FOR ENROLLMENT IN MEDICARE PART B (MEDICAL INSURANCE)

WHO CAN USE THIS APPLICATION?

People with Medicare who have Part A but not Part B

NOTE: If you do **not** have Part A, do **not** complete this form. Contact Social Security if you want to apply for Medicare for the first time.

WHEN DO YOU USE THIS APPLICATION?

Use this form:

- If you're in your **Initial Enrollment Period (IEP)** and live in **Puerto Rico**. You must sign up for Part B using this form.
- If you're in your **IEP** and **refused Part B** or did not sign up when you applied for Medicare, but now want Part B.
- If you want to sign up for Part B during the **General Enrollment Period (GEP)** from January 1 – March 31 each year.
- If you refused Part B during your IEP because you had group health plan (GHP) coverage through your or your spouse's current employment. You may sign up during your 8-month **Special Enrollment Period (SEP)**.
- If you have Medicare due to disability and refused Part B during your IEP because you had group health plan coverage through your, your spouse or family member's current employment.
- You may sign up during your 8-month SEP.

WHAT HAPPENS NEXT?

Send your completed and signed application to your local Social Security office. If you sign up in a SEP, include the CMS-L564 with your Part B application. If you have questions, call Social Security at **1-800-772-1213**. **TTY users should call 1-800-325-0778**.

HOW DO YOU GET HELP WITH THIS APPLICATION?

- **Phone:** Call Social Security at **1-800-772-1213**. **TTY users should call 1-800-325-0778**.
- **En español:** Llame a SSA gratis al **1-800-772-1213** y oprima el 2 si desea el servicio en español y espere a que le atienda un agente.
- **In person:** Your local Social Security office. For an office near you check www.ssa.gov.

REMINDERS

- If you sign up for Part B, you must pay premiums for every month you have the coverage.
- If you sign up after your IEP, you may have to pay a late enrollment penalty (LEP) of 10% for each full 12-month period you don't have Part B but were eligible to sign up.

SSA Form 40B



More Information Available



Medicare

- [Medicare.gov](https://www.Medicare.gov)

Social Security Administration

- [SSA.gov](https://www.SSA.gov)
- 1800-772-1213

State Health Insurance Assistance Program (SHIP)

- [shiptacenter.org](https://www.shiptacenter.org)

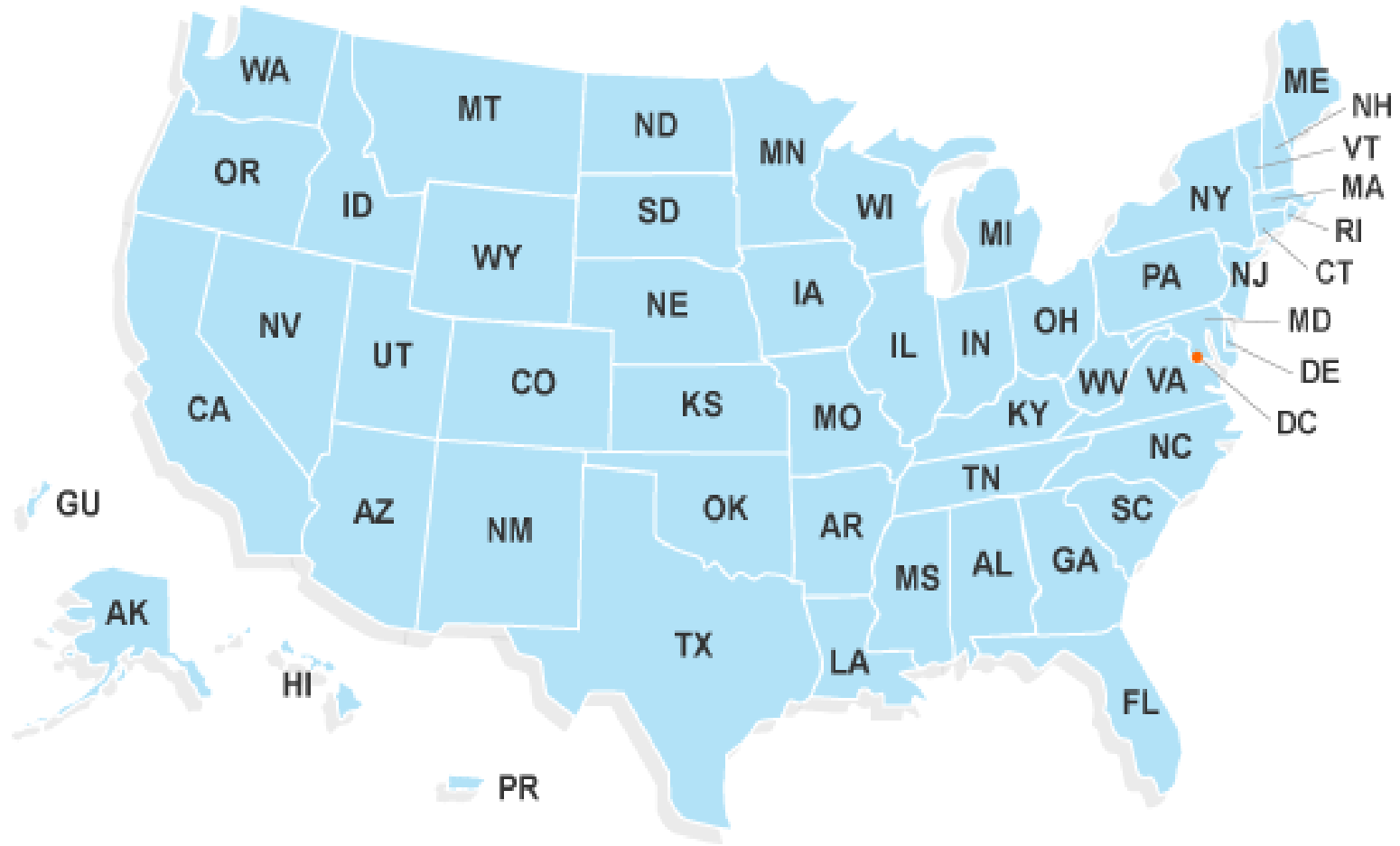
Medicare Interactive

- [Medicareinteractive.org](https://www.Medicareinteractive.org)

National Association of Area Agencies on Aging

- [N4a.org](https://www.N4a.org)

Use **Tools** at opm.gov/healthcare-insurance



2019 Open Season



**Monday, November 11 through
Monday, December 9**

Employee Effective Date

**Retiree
Effective Date**

1/5/2020

**1st day of 2020
leave year**

1/1/2020



Be ready for retirement.

GEHA is here to help you prepare for retirement. With free e-books *Countdown to Your Federal Retirement* and *Medicare + GEHA*, you won't be left guessing about timelines, FEHB and how your benefits work with Medicare.

Download now at
geha.com/narfe

