

# **2022 FACT SHEET**

## **MEDICARE AND YOUR CITY OF BOSTON HEALTH INSURANCE**

Medicare is a federal health insurance program for retirees age 65 or older and certain disabled people. The Medicare program is managed by the Centers for Medicare and Medicaid Services.

### **Do I have to enroll in Medicare?**

**Mandatory Medicare:** Effective July 1, 2011, Chapter 69, the Acts of 2011 mandated that all cities and towns require retirees age 65 and older to apply for Medicare Parts A & B and, if eligible, to transfer to a Medicare plan in order to continue their health insurance coverage. This includes:

- Retirees
- Retiree spouses
- Medicare-eligible dependent children (disabled)
- Surviving spouses

**You are required to enroll in Medicare Parts A & B if you are eligible for Medicare Part A for FREE.**

### **How do I know if I'm eligible for Medicare?**

You could be eligible for Medicare Part A for free if:

- You have paid into Social Security through your work history and earned 40 credits in the Social Security system.
- You have a current spouse, former spouse, or deceased spouse who paid into Social Security through their work history and earned 40 credits in the Social Security system.
- You paid the Medicare tax (employees hired after July 1, 1986 have paid the Medicare tax).
- You have Military service that counts.

**This list is not comprehensive: Even if you think you are not eligible for Medicare, you must go through the process of applying through Social Security.**

### **What is Medicare?**

#### **Medicare Part A (Original Medicare - Hospital Inpatient Insurance):**

- Helps cover inpatient hospital care, skilled nursing facility rehabilitation care, hospice, and home health care. This is not long term care, limits apply.

#### **Medicare Part B (Original Medicare - Medical Out-Patient Insurance):**

- Helps cover doctors' services, diagnostic tests, PT/OT, and durable medical equipment.
- Most people pay the standard monthly Medicare Part B premium (\$171.10 in 2022).
- Higher Part B premiums (IRMAA - income-related monthly adjustment amount) may apply to some retirees based on income levels.
- If you collect a Social Security check, your premium will be withheld from your Social Security check.
- If you do not collect a Social Security check, you will be billed quarterly for your premium. You must pay this invoice or you will lose your Medicare and your Medicare plan through the City.

## City of Boston – Medicare Plans

- Upon becoming eligible for Medicare, a retiree or her/his spouse is required to enroll in Medicare Parts A & B and transfer to a Medicare plan. These plans are designed to cover services not fully paid by Medicare Parts A & B to give you comparable health coverage to what you had prior to age 65. The coverage includes Prescription Drug Coverage and Medicare deductibles and co-insurance. In most cases, you will be required to simply pay a co-payment similar to your current health plan.
- The City currently offers six Medicare plans:
  - BCBS MA Medex 2 with Blue Medicare Rx/PDP
  - BCBS MA Medicare HMO Blue
  - BCBS MA Managed Blue for Seniors
  - Harvard Medicare Enhance with Aetna/SilverScript PDP
  - Tufts Medicare Preferred HMO
  - Tufts Medicare Preferred Supplement/PDP

## What if I'm covering a spouse, and one of us is eligible for Medicare and the other is not?

**“One Over, One Under”:** If retiree is only covering one member (spouse/dependent), and the retiree/spouse/dependent is eligible for Medicare, the Medicare-eligible member must enroll in a Medicare plan, and the non-Medicare member must enroll in individual non-Medicare coverage.

## What if I'm still covering children on my plan and turn 65?

**Family Exemption:** If a retiree is covering 2+ members (spouse/dependents) who are not eligible for Medicare, he/she may continue coverage in the non-Medicare family plan.

If a retiree and/or spouse is eligible for Medicare, he/she can defer Medicare Part B enrollment until the youngest dependent reaches age 26 (or is removed from the policy earlier).

If a retiree or spouse enrolls in Medicare A & B, The City will refund 100% of the Part B premium until your dependent ages off the plan (age 26). **A copy of the Medicare card is required to qualify for reimbursement.**

## What if I'm told by Social Security that I will be charged a Late Enrollment Penalty (LEP)?

**Late Enrollment Penalty (LEP):** For retirees and their spouses who defer enrollment in Medicare Part B after turning age 65 due to Family Exemption status, the City will pay the Late Enrollment Penalty directly to Medicare for the retiree and spouse upon enrollment in a Medicare plan through the City.

## Medicare Part B Refund

- Annually in July, the City will refund 50% of the amount you paid for your Medicare Part B premium. This occurs once you and/or your spouse are enrolled in a City of Boston Medicare Supplement. The refund is issued in your July retirement check for the previous calendar year.
- For example, the refund issued in July 2022, will be for premiums paid for Jan. – Dec. 2021.
- The City will automatically refund you based on the standard monthly premium amount.

- If you paid more (IRMAA), you must submit proof of payment no later than the last business day in April each year. Proof of payment may be the Social Security Form SSA-1099, Medicare Easy Pay payment printout, or copies of Social Security billing statements showing payments.

### What if I'm ineligible for Medicare?

If you are ineligible for Medicare (you have earned less than 40 credits and Part A is not free), you must provide proof through a letter on Social Security letterhead stating that you are not eligible for Medicare Part A for free. Ineligible members may remain enrolled in a non-Medicare plan.

### Applying for Medicare Tips

As early as three months before your 65<sup>th</sup> birthday, you should contact the Social Security Administration in one of the three following ways:

- Apply online at [www.socialsecurity.gov](http://www.socialsecurity.gov). Click on "Apply for Medicare Online"
  - Apply over the phone by calling 800-772-1213  
(You may need to make a phone appointment for a future date)
  - Apply in person at your local Social Security Office. To find an office, log onto [www.socialsecurity.gov](http://www.socialsecurity.gov) and click on "Locate a Social Security Office" and enter your zip code.
- Once enrolled in Medicare, you must continue to pay your Part B premium. Failure to pay this premium will result in the loss of your City of Boston health insurance coverage.

### Paying for Medicare:

- If you receive Social Security or Railroad Retirement Board (RRB) benefits, the Medicare Part B (Medical Insurance) premium will be automatically deducted from your benefit payment.
- If you do not get these benefit payments and sign up for Part B, you'll get a bill called a "Notice of Medicare Premium Payment Due" (CMS-500). **There are 3 ways to pay these bills:**
  1. Pay by check or money order and mail your Medicare premium payments to the address on the Medicare premium bill.
  2. Pay by credit card. Complete the bottom portion of the payment coupon on the Medicare bill and mail it.
  3. Sign up for Medicare Easy Pay, a free service that automatically deducts your premium payments from your savings or checking account each month.