

# Making the transition to Medicare

Maintaining your health insurance coverage after retirement is an important part of providing economic security during your retirement. If you are still working for a school district that provides Educators Health Alliance (EHA) insurance, you will continue on your school district insurance plan until August 31 (or at the end of your contract year, whichever is earlier) in the year you retire. If you are currently on EHA direct-bill retiree coverage (meaning that you are already retired and still younger than 65), you will need to enroll in Medicare one to three months prior to your 65<sup>th</sup> birthday and consider purchasing a Medicare Supplemental Policy as well as Medicare Prescription Drug Coverage. Below is a summary of how to make the transition from EHA insurance to Medicare.

## Medicare Coverage

If you are still working when you turn 65, you will enroll in Medicare to become effective September 1 (or when your health insurance through your employer stops) in the year you retire. If you are already retired when you turn 65, you will sign up for Medicare when you actually turn 65. There is a seven-month window to enroll in Medicare, starting 3 months before your 65<sup>th</sup> birthday month, including your birthday month, and ending 3 months after your birthday month. Medicare suggests that you sign up 1-3 months before you turn 65 to be sure that you do not miss out on important Medicare coverage. Medicare coverage begins the 1<sup>st</sup> of the month during which you turn 65, if you enroll on time. If your 65<sup>th</sup> birthday is on the 1<sup>st</sup> of the month, your Medicare coverage will begin one month prior to your birthday month.

If you chose COBRA coverage after you retired, be sure to begin your Medicare coverage at age 65 to avoid late enrollment penalties from Medicare.

If you are receiving Social Security retirement payments or Social Security disability payments prior to turning 65, Medicare will automatically send you enrollment forms for Medicare.

There are several “parts” to Medicare that you can choose. **Medicare Part A** covers inpatient hospital, inpatient skilled nursing, home health care, and hospice care. There is no premium for Medicare Part A coverage if you paid into Social Security while you worked. **Medicare Part B** covers doctor services, durable medical equipment, home health care, X-ray and lab services, and out-patient services. Medicare Part B is optional and has a premium. Unless you have coverage from a different source, it is in your best interest to sign up for Medicare Part B – the premium can be paid by deduction from your Social Security check, if you wish. Medicare Parts A and B provide basic coverage through “traditional Medicare,” but there are deductible and co-payments for which you are responsible. You can purchase a **Medicare Supplement** to pay for the deductible and co-payments. Information regarding Medicare supplements is contained in step 2 below. **Medicare Part D** provides prescription drug coverage.

There are three easy steps to follow in moving from EHA Retiree Coverage to Medicare at age 65. *(The steps are the same if you are still working when you turn 65. The only difference: you will need to have Medicare become effective on*

*September 1 [or when your employer-sponsored health insurance stops] in the year you retire, rather than the month you turn 65.)* The three steps are:

1. Sign up for Medicare about 1-3 months before you turn 65. If you receive the automatic enrollment information (because you are receiving Social Security payments prior to age 65), you will automatically be enrolled in Medicare Part A and Medicare Part B unless you notify Medicare that you do not want to enroll. If you do not get the automatic enrollment information, you can get enrollment information on the Medicare web site, [www.medicare.gov](http://www.medicare.gov), or call Medicare at 1-800-MEDICARE (1-800-633-4227). Social Security can help you with signing up for Medicare Part B. You can reach Social Security at 1-800-772-1213.
2. If you currently have EHA retiree coverage, about 60 to 90 days before you turn 65 you will receive a mailing from Blue Cross regarding **Educators' Medicare Supplement**. If you are not covered by EHA insurance when you turn 65, and you are a member of NSEA-Retired, you can enroll in Educators' Medicare Supplement by calling Blue Cross at 1-800-991-5650, identify yourself as an NSEA-Retired member, and request enrollment forms. Educators' Medicare Supplement is a Medicare Supplement underwritten by Blue Cross of Nebraska which is endorsed by NSEA-Retired. Because **Educators' Medicare Supplement** is only available to EHA subscribers and NSEA-Retired members and their spouses, and is not available to the general public, it is able to offer both **Plan F** and **Plan G** supplements. The only difference between the two plans is that Plan F pays your Medicare Part B deductible; Plan G does not. Both plans pay all required copays.

You will be given the option to enroll in our dental coverage when you make your initial enrollment in Educators' Medicare Supplement. The dental coverage is the same dental coverage provided by EHA for PPO Dental Parts A, B, and C that you had as both an active employee and as a retiree prior to age 65. If you decline the dental coverage when you begin your initial enrollment, you will not be allowed to enroll in the dental coverage at a later time. NSEA-Retired recommends that you enroll in the dental plan when you sign up for the Medicare Supplement.

You can sign up for your Medicare supplement during a six-month period, starting when you are age 65 or older and are covered by Medicare Part B. If you sign up for the Medicare supplement during this "window," there are no waiting periods for preexisting conditions. After this six-month window of eligibility ends, no insurance company is required to sell you a Medicare supplement. NSEA-Retired recommends that you sign up for your Medicare supplement when you receive the enrollment information for Educators' Medicare Supplement in order to avoid any gaps in coverage. Current premiums for Educators' Medicare Supplement can be found on the NSEA-Retired web page, [www.nsea.org/retired](http://www.nsea.org/retired). A video description of the supplement is on [ehaplan.org/retiree-info](http://ehaplan.org/retiree-info).

3. When you sign up for Medicare and your Medicare supplement, you should also sign up for **Medicare Part D**, the prescription drug coverage. NSEA-Retired does not endorse any provider for Medicare Part D, and suggests that members consult the Medicare web site, [www.medicare.gov](http://www.medicare.gov), to find a provider that will cover the drugs that you actually use.

Additional help with enrollment in Medicare can be found by calling the Nebraska State Health Insurance Assistance Program, SHIP, at 1-800-234-7119.