

Medicare - Actively Working & Turning 65

Active UC employees turning age 65 and their dependents covered by medical insurance through the UC are not required to enroll in Medicare. Below are some considerations for employees (or their dependents) who turn 65 and become eligible for Medicare prior to retirement.

Medicare Part A	Medicare Part A , the inpatient portion of Medicare, is free for most people at age 65. Enrollment in Part A can make getting Part B easier at retirement. If you are hospitalized, Part A could potentially pay secondarily to UC coverage through active employment. Contact Medicare for more information about secondary coverage through Parts A, B and/or D.
Medicare Part B	<p>Medicare Part B, the outpatient medical coverage offered by Medicare, costs at least \$104.90/month in 2014, and more as income increases. Most active employees forgo enrollment in Part B at age 65 because of its cost.</p> <p>Employees who enroll in Part B while still working are usually not subject to late enrollment penalties as long as they have maintained continuous medical coverage through active UC employment from ages 65 on. If you decide to forgo Part B when you are first eligible, confirm your ability to avoid late enrollment penalties with Social Security. Employees and their legal spouses are usually allowed to enroll in Part B at any time while continuously covered by medical insurance through active employment (or, immediately upon termination of employment or retirement).</p> <p>If you have an HMO primary to Part B, know that if your self-refer to Medicare providers outside your primary medical group, Medicare is not likely to pay. However, Part B can pay secondarily for Medicare-covered services that you receive through your primary medical group so that you may be able to avoid paying copayments. Contact Medicare for more information about secondary through Parts A, B and/or D.</p> <p>If you have a PPO or the Core Medical plan primary to Part B: Part B can potentially pay secondarily for Medicare-covered services. Contact Medicare and/or Blue Shield of California for more information about secondary coverage through Parts A, B and/or D.</p>
Medicare Part D	<p>Medicare Part D, the component of Medicare that pays for drugs from outpatient pharmacies, is relatively inexpensive but most UC employees forgo Part D until retirement because most of UC's medical plans provide adequate prescription drug coverage.</p> <p>UC employees who enroll in Part D while still working (or immediately upon retirement) should not be subject to late enrollment penalties as long as they have maintained continuous "creditable" coverage through active employment from age 65 on. Check with Social Security for details regarding your ability to delay enrollment in Part D without penalty.</p> <p>Creditable drug coverage under UC health plans.</p> <p>Higher income enrollees may pay extra premiums for Part D.</p>
Special Notes	<p>Medicare generally pays secondarily to medical insurance through active UC employment. If you are still working for UC and you have Medicare, be sure to show both your UC health insurance ID card and your Medicare card when you get medical care—and don't forget to say that Medicare is secondary because you are still working.</p> <p>Special note for those with the Blue Shield Health Savings PPO: the Blue Shield Health Savings PPO features a Health Savings Account (HSA) that makes it incompatible with Medicare.</p> <p>Special note for active employees enrolled in Kaiser Permanente who decide to enroll in Parts A & B of Medicare: Kaiser members who are enrolled in Parts A & B for whom Medicare is secondary can assign their Medicare benefits to Kaiser using a form; in turn, Kaiser will waive medical and pharmacy copayments, provide chiropractic coverage. Alternately, Kaiser members who are enrolled in Medicare Parts A & B for whom Medicare is secondary who do not assign their Medicare benefits to Kaiser may be able to use Parts A & B to cover their copayments.</p> <p>If you are 65 or older but you will not work for UC long enough to qualify for UC retiree health coverage: Upon retirement, you will likely need to rely on Medicare with supplemental coverage like Medigap or Medicare Advantage. Take the time to discuss with Social Security your ability to delay enrollment in (or cancel and re-enroll in) Part B without adversely affecting your premiums or ability to enroll in supplemental plans.</p>
Medicare Scenarios	<p>Active employee turning age 65 continues coverage under the same medical plan and may enroll in Medicare Part A. Since UC plan must be primary coverage, employee is not required to sign up for Part B or Part D when eligible for premium-free Part A.</p> <p>Active employee under age 65 retiring from UC and enrolled in Health Net Blue & Gold covering Medicare eligible spouse (non UC employee). Upon retirement, employee continues enrollment in Health Net Blue & Gold, however, spouse must enroll in Health Net Seniority Plus.</p> <p>Employee age 65 (Medicare eligible) planning to retire and enrolled in UC Care. Upon retirement, employee must enroll in the Blue Shield PPO as UC Care is a non-Medicare plan.</p>