

# Alameda County Employees' Retirement Association

Medicare Transition Webinar

# Agenda

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Introductions

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Medicare overview

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ACERA and Medicare Mandate

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Medicare - how it works

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Medicare plan options

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Questions

# Who is Eligible for Medicare and who's Involved

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People 65 and older

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Under 65 disabled

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People any age with ESRD or ALS (Lou Gehrig's Disease)

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Social Security Administration (**SSA**)

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And

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Center for Medicare and Medicaid Services (**CMS**)

## Currently Receiving Social Security

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If you are currently receiving Social Security benefits, enrollment in Medicare parts A & B will be automatic.

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Medicare Part B Premium will be deducted from either your Social Security check or you will be direct billed.

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Your Medicare card will be automatically mailed to you

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**Note:**

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Some retirees or dependents who are disabled may be eligible for Medicare earlier than age 65.

## Not Receiving Social Security

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If not currently receiving social security benefits i.e. Check, most retirees are eligible to enroll in Medicare parts A and B, at age 65.

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For those eligible at age 65, we encourage you to begin the following process for enrolling in Medicare at least 90 days prior to your 65th birthday:

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Call the Social Security Administration at **1-800-772-1213** to obtain information on how to enroll in Medicare Parts A and B or visit the Medicare website at **[www.Medicare.Gov](http://www.Medicare.Gov)** to enroll in Medicare parts A and B.

## ACERA's Medicare Mandate

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When you or your dependent become eligible for Medicare (usually at age 65), in order to continue enrollment and receipt of the medical plan, you must complete the enrollment process into an ACERA sponsored Medicare medical plan.

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This mandate also applies to retirees who are receiving the monthly medical allowance (MMA)

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Currently, the carrier ACERA offers with a Medicare Group Plan is Kaiser Permanente. Those who do not wish to enroll in the Kaiser Permanente Senior Advantage plan may contact Via Benefits to get enrolled in an Individual Medicare plan nationwide.

# ACERA's Medicare Mandate

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Why this mandate is a value to you and ACERA:

Example: member with **17** years of service, turning age 65 & Medicare eligible

	Premium Rate	MMA* 15-19 Years of Service	Out of Pocket
Kaiser HMO (under 65)	<b>\$909.74</b>	<b>\$462.09*</b>	<b>\$447.65</b>
Kaiser Senior Advantage Plan (over 65) Traditional and Part B only Plans	<b>\$316.81</b>	<b>\$316.81*</b>	<b>\$0.00</b>

# What is Medicare Part A

When you become eligible for and enroll in Medicare coverage is provided as follows:

Medicare part A provides hospital insurance.

Part A, helps pay for Medicare approved hospital stays, care in skilled nursing facilities (for rehabilitation, not Long Term Care), hospice care, home health care (limited), blood (inpatient) and hospital care from qualified Medicare providers. You typically do not pay a premium for Part A coverage if you paid Medicare taxes while you were working.



# Enrolling in Medicare Part A

For the majority Medicare Part A costs nothing because you or your spouse or your ex-spouse (married for 10 years) paid Medicare taxes while working and earned quarters towards Medicare Part A.

Quarters:

- 40+ **Free** – No premium for Part A
- 30-39 \$274 a month
- 0 up to \$506 a month

For 2023 you may pay \$274 or up to \$506 monthly to buy Part A if you don't get premium-free Part A. Contact ACERA if SSA states you will need to pay for Part A.

In most cases, if you choose to buy Part A, you must also have Part B and pay monthly premiums for both.

Part A Late Enrollment Penalty:

You may have to pay higher premiums for twice the number of years you could have had Part A yet did not sign-up.

# What is Medicare Part B?

## **Medicare Part B provides Medical Insurance.**

It helps pay for Medicare approved doctor services, outpatient care, certain preventive care services, diagnostic tests, and some other services and supplies that Medicare Part A does not cover. You pay a premium for Part B coverage.

For most Medicare-eligible individuals, the monthly premium in 2022 was \$170.10. **For 2023 Medicare the Base Premium for Part B is \$164.90** which is the lowest standard monthly Medicare Part B premium amount. Some members will pay more, depending on their income. This premium is usually deducted from one's Social Security check, otherwise billed quarterly.

**Many preventive care and supplies. To know if a test, item, or service is covered you may go onto [www.Medicare.Gov](http://www.Medicare.Gov) and look under what Medicare Covers and you will be able to enter and search on your items.**

# Enrolling in Medicare Parts A & B

If one is already getting benefits from Social Security (except if you're still working or you have End-Stage Renal Disease), you will be automatically enrolled and receive your Medicare card in the mail three (3) months before your 65th birthday or your 25th month of disability.

Apply online at Social Security

Call Social Security at **1-800-772-1213**

Visit your local Social Security Office

Fill out an application for enrollment in Medicare Part B

Submit it in person to any Social Security Office

or,

Mail it to the nearest  Social Security Office

**Note:** Completing the application form and submitting it does not automatically enroll you in Medicare Part B. Social Security must first determine if you are eligible to enroll.

# Enrolling in Medicare Part B at the Right Time is Critical During the 7 Month Enrollment Period

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- **3 months before the month of 65<sup>th</sup> birthday**- Effective 1<sup>st</sup> Day of Birthday Month.
- **Birthday month**- Effective 1<sup>st</sup> Day of Month following Birthday Month.
- **2-3 months after 65<sup>th</sup> birthday**- Effective 1<sup>st</sup> Day of 3<sup>rd</sup> Month after Enrollment.

Social Security's enrollment period if you  
miss initial period

- January through March of each year.
- Coverage becomes effective July 1 of that year.
- **Lifetime 10% penalty** for each 12-month period one did not enroll in Part B.
- **Exception:** Working Aged may delay enrollment in Part B until retirement. Such as coverage under an active working spouse's Plan one may delay enrollment in Part B. Retain Creditable Coverage Certificates from spouse's employer to provide later for enrollment.

# Employer Plans - Actively Working 20+

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## Your Options:

Delay Part B enrollment – use only the employer plan.

Enroll in Part A & B and have both Medicare and employer coverage (likely no benefit from this duplicate coverage because employer plan is primary and usually provides better benefits.)

Reject employer plan – enroll in Medicare and then supplement in other ways.

If your yearly income in 2021 (for what you pay in 2023) was			You pay each month (in 2023)
File individual tax return	File joint tax return	File married & separate tax return	
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90
above \$97,000 up to \$123,000	above \$194,000 up to \$246,000	Not applicable	\$230.80
above \$123,000 up to \$153,000	above \$246,000 up to \$306,000	Not applicable	\$329.70
above \$153,000 up to \$183,000	above \$306,000 up to \$366,000	Not applicable	\$428.60
above \$183,000 and less than \$500,000	above \$366,000 and less than \$750,000	above \$97,000 and less than \$403,000	\$527.50
\$500,000 or above	\$750,000 or above	\$403,000 or above	\$560.50

Medicare Part B Monthly Premium 2023 table Below is based on adjusted gross income as reported on your IRS tax return from 2 years ago

# ACERA - Medicare Part B Reimbursement Plan (MBRP)

MBRP is a Medicare reimbursement plan adopted by the board of retirement that annually authorizes reimbursement of Medicare Part B to qualified retired members only.

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The current Board Approved monthly reimbursement **amount for 2023 is \$164.90.**

This non-vested benefit is not available for dependents, nor will it reimburse dependent costs.

To qualify for MBRP, a retiree must:

- Have 10+ years ACERA service credit or service-connected disability
- Provide proof of enrollment in Medicare Part B; and remain enrolled;

Enroll in the MBRP (commencement of payments begin on enrollment into MBRP or the effective date of eligibility for Medicare part B **whichever is greater.**

**This is not a retroactive benefit**

**Enrollment is not automatic.** If eligible, you must complete the Medicare Part B Reimbursement Plan Application and provide a copy of your Medicare Card to receive your reimbursement

**Enrollment in an ACERA medical plan is not required**

## Part D premiums by income

The chart below shows your estimated prescription drug plan monthly premium based on your adjusted gross income as reported on your IRS tax return. If your income is above a certain limit, you'll pay an income-related monthly adjustment amount in addition to your plan premium.

If your filing status and yearly income in 2021 was			
File individual tax return	File joint tax return	File married & separate tax return	You pay each month (in 2023)
\$97,000 or less	\$194,000 or less	\$97,000 or less	your plan premium
above \$97,000 up to \$123,000	above \$194,000 up to \$246,000	not applicable	\$12.20 + your plan premium
above \$123,000 up to \$153,000	above \$246,000 up to \$306,000	not applicable	\$31.50 + your plan premium
above \$153,000 up to \$183,000	above \$306,000 up to \$366,000	not applicable	\$50.70 + your plan premium
above \$183,000 and less than \$500,000	above \$366,000 and less than \$750,000	above \$97,000 and less than \$403,000	\$70.00 + your plan premium
\$500,000 or above	\$750,000 or above	\$403,000 or above	\$76.40 + your plan premium



# Types of Medicare Plans

## MEDICARE ADVANTAGE

Medicare is assigned to selected carrier Medical Group

Primary MD selected

Must get primary MD to provide referral see a Specialist

Most Medicare Advantage Plans have Prescription Part D built in as part of the plan

Co-pays may vary

Must reside in the plans service area

## MEDI-GAP/SUPPLEMENTAL PLAN

Medicare is NOT assigned to selected carrier Medical Group

No primary MD

Can go to see any MD that accepts Medicare Nation-wide

NO referral needed to see a Specialist, can see any Specialist Nation-wide that accepts Medicare

These are Medical only – does not have a prescription component

Will need to enroll into a Prescription Part D Plan

Co-pays/deductibles may vary depending on the plan selected

United States is the service area

# ACERA-Sponsored Medical Plans and Individual Plans (non-vested benefits)

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<b>Non-Medicare Eligible (Generally Under Age 65)</b>	<b>Medicare Eligible (Generally Over Age 65)</b>
<b>Kaiser Permanente HMO</b>	<b>Kaiser Permanente Senior Advantage</b>
<b>United HealthCare Signature Value HMO</b>	<b>Via Benefits</b>
<b>United HealthCare Signature Value Advantage HMO</b>	<b>Via Benefits</b>

# Kaiser Permanente Senior Advantage

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This is a Medicare assignment/risk plan. Must be enrolled in Medicare Parts A & B. ACERA has a mandate for Medicare eligible retirees and dependents who choose to be enrolled in an ACERA Medical Plan.\*

*Service area:* CA residents only residing within service area

*2023 Monthly Premiums:*

Self:	<b>\$ 316.81</b>	
Self + 1:	<b>\$ 633.62 (2 w/ Medicare)</b>	<b>\$ 1,226.55 (1 w/ Medicare)</b>
Family:	<b>\$ 1,388.74 (2 w/ Medicare)</b>	<b>\$ 1,981.67 (1 w/ Medicare)</b>

*Benefits:* \$10.00 co-pays for office visits, allergy treatments, hearing and vision exams and immunizations for the Medicare Enrollee in Kaiser Sr. Advantage.

▪**Eligibility to participate in the Silver & Fit Gym Membership will continue into PY2023**

\*ACERA requires that Retirees and dependents be enrolled in Medicare Parts A & B upon eligibility and enroll in an ACERA-sponsored Medicare medical Plan in order to have medical coverage through ACERA.

**\*\*Part B only Plan available if applicable.**

# Kaiser Sr. Advantage

## Silver & Fit® Healthy Aging and Exercise Program Fitness Center Membership

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**Choose from Silver & Fit's broad network of participating fitness centers. Where available, you can:**

Work out with cardio and strength– training equipment

Access features such as saunas, pools, and whirlpools

Attend Silver & Fit classes, including yoga, swimming, strength and cardio training, and more

### **Home fitness choices**

**We make it easy to fit fitness into your day — right where you're most comfortable. With the home fitness choice, you can enjoy:**

One home fitness kit per benefit year from a variety of fitness options

Thousands of digital workout videos on the Silver & Fit website or mobile app

The get started program which gives you a personal exercise plan

# Silver and Fit

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Learn more ONLINE or call 1-877-750-2746

## Free Gym Membership & Home Fitness Kits for Kaiser Permanente Senior Advantage Members

For Medicare-eligible ACERA members, dependents, and/or survivors enrolled in our Kaiser Permanente Senior Advantage Medicare Plan

### CHOOSE:

- No-cost membership at 1 of 14,000+ participating gyms
- OR a no-cost home workout fitness
- OR both!

### ALSO GET FREE:

- Tailored workout plan
- Personal coaching
- Workout videos on demand

**REGISTER NOW:**

[www.silverandfit.com](http://www.silverandfit.com)

**SEARCH FOR GYMS:**

[www.silverandfit.com/search](http://www.silverandfit.com/search)

**REQUEST YOUR GYM BE ADDED:**

[www.acera.org/gym](http://www.acera.org/gym)



[www.acera.org/silverandfit](http://www.acera.org/silverandfit)

# Via Benefits Medicare Plans

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Plans through the Medicare Exchange are not ACERA Group Plans. They are individual plans and will not appear on your monthly retirement statement from ACERA.

Members and dependents are solely responsible to pay any premiums to those carriers to maintain the Insurance Coverage.

Members who are eligible for ACERA's Monthly Medical Allowance will be granted a Health Reimbursement Account for their medical out of pocket expenses up to the qualified amount.

Only the Retiree members are eligible to submit claims through the HRA. \*\*\*Out of pocket expenses for dependents are not reimbursed.

# Via Benefits Enrollment

Enrollment is done online at [www.acera.org/via-med](http://www.acera.org/via-med) or via phone interview by calling **1-(888) 427-8730**

Carriers require both Medicare Parts A & B

Most Medicare Advantage Plans have part D built-in

Medi-gap/supplemental plans are medical – you'll need to enroll in a part D for prescription coverage

A licensed benefits advisor will go over plans available in your area

Plans are nationwide

Reimbursement available for retiree's out of pocket medical expenses e.g., Medical & prescription drug plan premiums, prescription co-pays and deductibles and medical necessary costs

Auto-pay and direct deposit available

Reimbursements for the current plan year **must be claimed by March 31<sup>st</sup> of the following year**

Online health reimbursement account tracking and status updates

# Via Benefits – Prescription Profiler

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Medicare part D adds hundreds of prescription drugs to its database yearly. This impacts Medicare prescription plans due to the changes in the formulary and possibly costs

By going to the prescription profiler in Mid-October you'll be able to get prescription coverage information including a breakdown of your drug costs for the year across different plan providers. This allows you to see if there are plans with lower costs for your prescriptions than your current plan.



# Open Enrollment

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Your annual opportunity to assess your benefit needs and make changes, if needed.

You can change Medical, Dental and / or Vision Plans, add / remove dependents or cancel Medical, Dental and / or Vision coverage

- Retirees with 10 or more years of service must remain enrolled in Dental and Vision Plans as the coverage is subsidized by ACERA.

ACERA's Open Enrollment occurs every November.

Elections made during ACERA's Open Enrollment become effective February 1st of the following year.

Via Benefit's Open Enrollment occurs from October 15th through December 7<sup>th</sup> with elections effective January 1<sup>st</sup> of the following year.

One's monthly retirement allowance must be sufficient to cover the cost of the elected Healthcare Plans.

## Monthly Medical Allowance (MMA) toward ACERA Sponsored “Group” Medical Plan Premiums and HRA individual Plans

ACERA Group Plans and Individual Non-Medicare Plans Monthly Medical Allowance (MMA) & Pre-65 HRA	2021	2022	2023
20 YEARS & OVER - 100%	\$ 578.65	\$ 596.73	\$ 616.12
15 TO 19.99 YEARS - 75%	\$ 433.99	\$ 447.55	\$ 462.09
10 TO 14.99 YEARS - 50%	\$ 289.33	\$ 298.37	\$ 308.06
0 TO 9.99 YEARS - 0%	\$ -	\$ -	\$ -

Individual Medicare Plans through Via Benefits Health Reimbursement Account - (MMA)	2021	2022	2023
20 YEARS & OVER	\$ 443.28	\$ 457.13	\$ 471.99
15 TO 19.99 YEARS	\$ 332.46	\$ 342.85	\$ 353.99
10 TO 14.99 YEARS	\$ 221.64	\$ 228.64	\$ 236.00
0 TO 9.99 YEARS	\$ -	\$ -	\$ -

# Qualifying Events

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Loss of coverage

Relocating out of service area

Annual Open Enrollment

Becoming Medicare eligible

\*\*Retiring after age 65

Marriage

New Domestic Partnership

Divorce

# Moving Out of Service Area

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Don't forget to look into available health plans prior to moving!

When relocating it is **critical** that you look into the coverage area of your current plan

You may reach out to ACERA for assistance in this matter

You must complete an ACERA Address Change form to update your record (**only a signed change form will be accepted no phone calls or emails**)

Retirees who reside outside of CA may not be required to pay CA State taxes

Remember to send ACERA a completed ACERA Address/Name Change request form, which can be found on our website at:

**[www.ACERA.org/forms](http://www.ACERA.org/forms)**

You may email questions to us at  
[info@acera.Org](mailto:info@acera.Org)

ACERA is always ready to assist you

Recording will be posted here within a few business days:  
[www.acera.org/videos](http://www.acera.org/videos)

Thank you for viewing and have a great day!