

# Medicare Transition

Office of Retirement Services

# Medicare Transition Process

- Enrolling in a Medicare plan is **NOT** an automatic process.
- Retirees enrolled in a CSJ health plan will receive a Medicare transition packet from our office approximately three months prior to their 65<sup>th</sup> birthday.
- Eligible Retirees not enrolled in a CSJ health plan AND wanting to enroll in a Medicare Plan with CSJ can request a packet when approaching age 65. A retiree is eligible to enroll in a CSJ health plan by having worked 15 years of service with CSJ.
- The packet will include:
  - A cover letter with instructions on how to enroll in Medicare Part A, Part B, or both.
  - ORS' Medicare Transition INS100 form and the vendor enrollment form.
- All forms including a copy of your Medicare card **MUST BE** submitted to ORS. The forms and a copy of your Medicare card are required to move you to a Medicare plan.
- Please **DO NOT** send any forms directly to Kaiser or Anthem as they may enroll you in a private plan. ORS does not have a way of knowing that you've enrolled in Medicare without receiving the forms and a copy of your Medicare card.

# What is Medicare Part A?

- Part A is synonymous with Hospitalization and is earned by paying 40 quarters into Medicare.
- In general, Part A covers:
  - Inpatient care in a hospital
  - Skilled nursing facility care
  - Nursing home care (inpatient care in a skilled nursing facility that's not custodial or long-term care)
  - Hospice care
  - Home health care
- Some member may qualify for Part A through a spouse, a former spouse, or a deceased spouse. Contact Social Security Administration (SSA) to confirm eligibility. ORS does not have access to SSA and cannot confirm eligibility.
- You will need to enroll in Part A if you qualify to enroll in Part A at **NO COST**.
- If you do not qualify for Part A at no cost, ORS **DOES NOT** require you to enroll. However, you will need to submit a copy of your Part A award letter to ORS. The letter will state that you did not earn enough quarters (40) to qualify for Part A. The next slide shows a sample of the Social Security award letter.

# Social Security Award Letter

**Social Security Administration**  
**Retirement, Survivors and Disability Insurance**  
Notice of Award

Western Program Service Center  
P.O. Box 2000  
Richmond, California 94802-1791

Your Medicare Part A (hospital insurance) and Part B (medical insurance) start December 2018.

**Why We Cannot Pay You**

You have not worked long enough under Social Security to receive benefits on your own record.

~~Work under Social Security is figured in credits. Please read the enclosed pamphlet, "How You Earn Social Security Credits," which explains how the credits are earned and how many a person needs to receive benefits.~~

To qualify for benefits, you need a total of 40 work credits. You have earned 16 credits, and still need 24 credits more. These figures are based on your date of birth.

**Information About Medicare**

You will get a Medicare card within 2 weeks. You should show this card when you need medical care. To learn more about what Medicare covers, visit [Medicare.gov](http://Medicare.gov). If you have questions about your Medicare coverage, call 1-800-MEDICARE (1-800-633-4227).

Your monthly premium for Medicare Part B (medical insurance) is \$134.00 beginning December 2018.

# What is Medicare Part B ?

- Part B is synonymous with Medical Insurance. Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A.
- The Centers for Medicare and Medicare Services (CMS) is part of the Department of Health and Human Services (HHS). CMS administers the Medicare Benefits.
- Part B premiums are **income based** and change yearly.
- Retirees need to enroll in Medicare Part B during their Special Enrollment Period (SEP), which is three months prior to turning 65 and up to three months after turning 65.
- ORS has the right to terminate your health coverage if you do not enroll within your Special Enrollment Period.
- If you do not complete your enrollment within your SEP, you will have to wait until Medicare's Open Enrollment Period that runs between January 1- March 31.
- CMS will assess a lifetime penalty of 10% for each year you delay your Medicare Part B enrollment.
- Medicare Enrollments processed during the Medicare's Open Enrollment period have an effective date of 7/1 and you **will not** be able to enroll in a CSJ Medicare plan prior to 7/1. This means you will have **NO** medical coverage.

## What is Medicare Part B? (cont.)

- ORS **DOES NOT** pay for Medicare Part B premiums.
- The Medicare Part B premiums will be automatically deducted from the SSA Pension check if the retiree is receiving SSA Benefits.
- If the monthly pension benefit check is not enough to cover your Medicare Part B premiums, CMS will bill you for any additional amount owed.
- If you do not receive a pension from SSA, CMS will bill you for your Medicare Part B premiums quarterly or monthly.
- Payment must be remitted directly to CMS. All questions regarding your first and future Medicare bills need to be directed to CMS by calling **1-800-MEDICARE** (1-800-633-4227).
- To avoid disenrollment and any lapse in coverage, please pay all premiums on time directly to CMS.
- If you are disenrolled due to non-payment, please contact CMS to correct your enrollment **ASAP**.
- A new set of vendor forms (Kaiser Permanente Senior Advantage or Anthem Medicare Advantage) will be required to re-enroll in one of our Medicare plans.

# 2021 Medicare Part B Rates

## 2021

The standard Part B premium amount in 2021 is \$148.50. Most people pay the standard Part B premium amount. If your modified adjusted gross income as reported on your IRS tax return from 2 years ago is above a certain amount, you'll pay the standard premium amount and an Income Related Monthly Adjustment Amount (IRMAA). IRMAA is an extra charge added to your premium.

If your yearly income in 2019 (for what you pay in 2021) was			You pay each month (in 2021)
File individual tax return	File joint tax return	File married & separate tax return	
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
above \$88,000 up to \$111,000	above \$176,000 up to \$222,000	Not applicable	\$207.90
above \$111,000 up to \$138,000	above \$222,000 up to \$276,000	Not applicable	\$297.00
above \$138,000 up to \$165,000	above \$276,000 up to \$330,000	Not applicable	\$386.10
above \$165,000 and less than \$500,000	above \$330,000 and less than \$750,000	above \$88,000 and less than \$412,000	\$475.20
\$500,000 or above	\$750,000 and above	\$412,000 and above	\$504.90

# Medicare Premium Bill Example

## YOUR MEDICARE NUMBER

Found on your Medicare card. **Please write your Medicare number on your check or money order.**

## BILLING INFORMATION

- Current amount due and coverage period for Part A and/or Part B, \*If this is the first billing you received, it may also include premiums owed for previous months not already billed. May also include Part B late enrollment penalty and/or Part B IRMAA amounts if they apply to you.
- Past due amount and coverage period already billed for Part A and/or Part B.
- Current amount due for Part D IRMAA and coverage period.
- Past due amount and coverage period already billed for Part D IRMAA.

## TERMINATION DATE

The date your Medicare Insurance will end if you do not send the 'past due amount' by the date shown. You'll only see a termination date(s) on a bill that says "Delinquent" at the top.

## PAYMENT COUPON

Cut or tear off the bottom portion of the bill and return it with your payment (or credit or debit card information).

**Note: if you don't send in this coupon, your payment could get delayed.**

## AMOUNT PAID

Write in the exact amount of your check, money order, or credit or debit card payment.

## VISA/MASTERCARD/AMERICAN EXPRESS/ DISCOVER NUMBER

You may pay premiums with a Visa, MasterCard, American Express, or Discover credit or debit card. To use this option, write in your credit or debit card account number, expiration date, Billing ZIP Code, and sign the form. If you pay by credit or debit card, you must provide your signature and return the payment information in the return envelope we sent you.

CMS-500 (2/16)  
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS)

## MEDICARE PREMIUM BILL

DATE: mm/dd/yyyy

YOUR MEDICARE NUMBER:

### Ways to pay your bill:

- Pay online at your bank's website
- Sign up for Medicare Easy Pay
- Make a check or money order payable to "CMS Medicare Insurance"
- Use Visa, MasterCard, American Express, or Discover

Send payment with the coupon at the bottom to:

**Medicare Premium Collection Center**  
P.O. Box 790355  
St. Louis, MO 63179-0355

	Coverage Periods	Part A (Hospital Insurance)	Part B (Medical Insurance)	IRMAA Part D	= Total Amount
Amount due for Part A and/or Part B	mm/dd/yyyy-mm/dd/yyyy	\$0.00	\$0.00		\$0.00
Past due amount for Part A and/or Part B	mm/dd/yyyy-mm/dd/yyyy	\$0.00	\$0.00		\$0.00
Amount due for IRMAA Part D	mm/dd/yyyy-mm/dd/yyyy			\$0.00	\$0.00
Past due amount for IRMAA Part D	mm/dd/yyyy-mm/dd/yyyy			\$0.00	\$0.00
Part A termination date: mm/dd/yyyy					
Part B termination date: mm/dd/yyyy					
Part D termination date: mm/dd/yyyy					
Total amount due:					\$0.00
Payment in full due by:					mm/dd/yyyy

Please send your full payment by mm/dd/yyyy. Your payment is late if Medicare gets it after this date. If your bill says "Delinquent" at the top, you must pay your bill in full by this date, or you could lose your coverage and you may not be able to get your coverage back right away. **Partial payment may not stop you from losing your coverage.**

Your bill shows new amounts and past amounts we didn't get by your last bill's due date.

We got your last payment of \$ 0.00 on mm/dd/yyyy

See other side for important information, including who to contact if you have questions.

▼ Don't send notes or letters with your payment. Cut at dotted line and return bottom with payment. ▼

Check here if your name or address has changed or is wrong, and complete the back of this paper.

Check here if the person has died.

Medicare Number:

Write your Medicare number on your check or money order.

Amount due: \$0.00 Due in full by: mm/dd/yyyy

Don't send cash. Make check/money order payable to:  
**CMS Medicare Insurance**

Send payment to:

MEDICARE PREMIUM COLLECTION CENTER  
P.O. BOX 790355  
ST. LOUIS, MO 63179-0355

(over)

## BILL TYPE

Some people with Medicare are billed either monthly or quarterly. If you are billed for Part A or IRMAA Part D, you will be billed monthly. If this box says:

- **FIRST BILL**, it means your last payment was received timely or this is your initial bill.
- **SECOND BILL**, it means a payment is late by at least 60 days.
- **DELINQUENT BILL**, it means a payment is late by at least 90 days and you could lose your Medicare coverage.
- **ESTATE BILL**, it means a payment is due for a deceased beneficiary.
- **THIS IS NOT A BILL**, it means a payment will be deducted from your bank account (usually occurs on the 20th of the month – known as Medicare Easy Pay).

## PART A, PART B, & PART D COVERAGE

Some people with Medicare owe premium payments for:

- Hospital Insurance (Part A) only.
- Medical Insurance (Part B) only. Note: You may **owe** more than the standard Part B premium if you enrolled late; disenrolled from Medicare and later reenrolled; and/or you have a higher yearly income that makes you **owe** a Part B Income Related Monthly Adjustment Amount (IRMAA).
- Part D Income Related Monthly Adjustment Amount (IRMAA), an amount in addition to the Part D premium. **Note: this isn't your Part D premium. If you have Part D, your Part D plan bills you for your regular premium amount.**
- More than one part (Part A, Part B, Part D IRMAA).

## TOTAL AMOUNT DUE

This is the total amount due right now. It may include past due amounts from an earlier billing period.

## PAYMENT IN FULL DUE BY

Your premium payment is due by the 25th of the month.

## LAST PAYMENT RECEIVED

This is the date that we last received a payment from you. If your last payment was submitted close to the due date it may not be reflected on this bill.

## PAYMENT ADDRESS

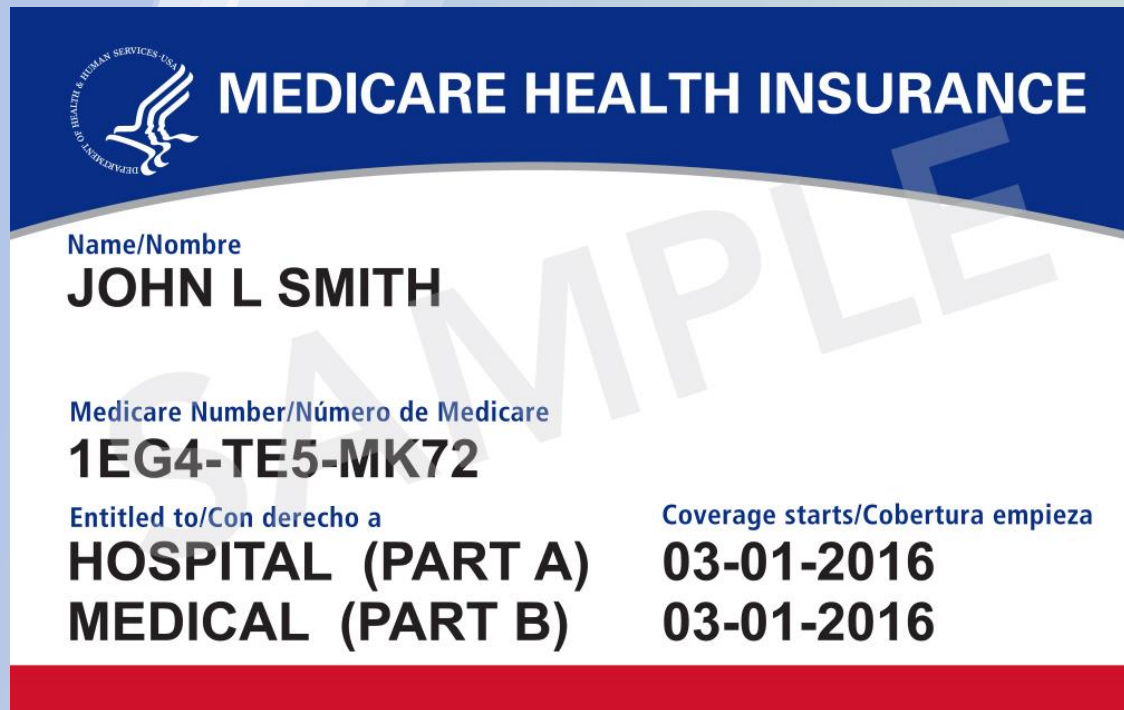
Send your payment or credit card information with the lower, tear-off portion of the bill in the return envelope we sent you.




# What is Medicare Part D?

- Medicare Part D helps cover the cost of prescription drugs (including many recommended shots or vaccines).
- Some members may have to pay an additional amount for prescription Drug coverage, known as Part D/IRMAA (Income Related Monthly Adjustment Amount).
- IRMMA is based on your income over the past two years and must be paid.
- CMS will bill you quarterly or monthly for your Medicare Part D premiums. This applies to members who are **not** eligible for Social Security benefits or who are not yet collecting SSA benefits.
- Plans that offer Medicare drug coverage are run by private insurance companies that follow rules set by Medicare. Our plans (Kaiser Senior Advantage and Anthem Medicare Advantage Plans) offer the drug coverage.

# Medicare Card Examples



 **MEDICARE HEALTH INSURANCE**

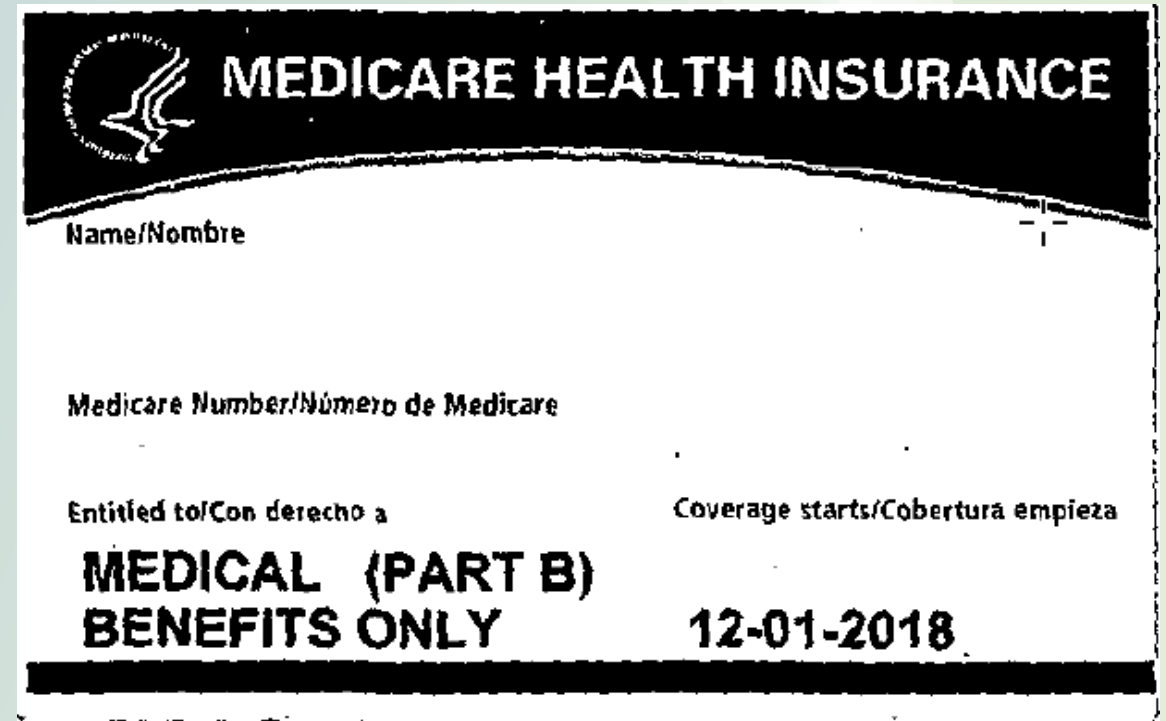
Name/Nombre  
**JOHN L SMITH**


Medicare Number/Número de Medicare  
**1EG4-TE5-MK72**

Entitled to/Con derecho a	Coverage starts/Cobertura empieza
<b>HOSPITAL (PART A)</b>	<b>03-01-2016</b>
<b>MEDICAL (PART B)</b>	<b>03-01-2016</b>

**EXAMPLE**

**Part A and B**



 **MEDICARE HEALTH INSURANCE**

Name/Nombre

Medicare Number/Número de Medicare

Entitled to/Con derecho a	Coverage starts/Cobertura empieza
<b>MEDICAL (PART B) BENEFITS ONLY</b>	<b>12-01-2018</b>

**Part B only**

# How to pay your Medicare Premiums

- Medicare Part B premiums will be deducted from your Social Security benefit check if you are receiving Social Security Pension Benefits.
- Your monthly or quarterly Medicare statements will include a return address to mail a check or credit card information.
- All Medicare bills are due the 25<sup>th</sup> of the month.
- You can setup automatic payments by enrolling in [www.MyMedicare.gov](http://www.MyMedicare.gov) and creating an account to prevent late payments.
- You can also setup automatic payments through your online banking.
- For payment related questions, contact Medicare at **1-800-MEDICARE** (1-800-633-4227).

# Final Step

- Once you've received your Part A & B, or B only Medicare card, you will need to submit a copy of your card to our office along with the forms that were enclosed in your Medicare Transition packet.
- Your CSJ Medicare Plan (Kaiser Senior Advantage or Anthem's HMO or PPO Advantage plans) will become effective the first of the month after the month the forms are received or the date listed on your Medicare card, whichever comes later. For example:
  - If your Medicare card has an effective date of 5/1/2021 and you submit your forms during April, the effective date of your plan will be 5/1/2021
  - If the effective date on the Medicare card is 5/1 and you submit your forms in May, your CSJ Medicare plan will be effective 6/1 (the first of the month after the month the forms were received)
- ORS will send your INS100 Medicare Transition form, a copy of your Medicare card and the vendor forms to the insurance vendor for processing (Kaiser Senior Advantage or to Anthem's HMO or PPO Advantage) .
- You will receive a new Medical ID card from your provider in the mail.

# Medicare Resources

- To enroll in Medicare, contact Social Security Administration at **(800) 772-1213** or online at <https://www.ssa.gov/benefits/medicare/>
- All inquiries regarding premium payments, billing questions, and Medicare Part A and B coverage should be directed to **1-800-MEDICARE** (1-800-633-4227)
- Official Medicare Website [www.medicare.gov](http://www.medicare.gov)
- 2021 Medicare Part B premium chart <https://www.medicare.gov/your-medicare-costs/part-b-costs>