

Medicare and Your CalPERS Health Benefits

Disclaimer: *CalPERS is governed by the Public Employees' Retirement Law and the Public Employees' Medical & Hospital Care Act (PEMHCA). The statements in this document are general. The law is complex and subject to change. If there is a conflict between the law and this document, any decisions will be based on the law and not this document.*

Important! This overview is for members who currently work for or are retired from an employer who participates in the CalPERS Health Program. If your employer doesn't participate in the CalPERS Health Program, contact your employer to find out about your specific health benefits.

Agenda

- Medicare Overview
- Medicare Enrollment
- CalPERS Medicare Health Plans
- Medicare Reimbursement (State and California State University)
- Resources

Medicare Overview

Medicare is a federal program that may affect your CalPERS health benefits. The [Center for Medicare & Medicaid Services \(CMS\)](#) administers the Medicare program, but the [Social Security Administration](#) (SSA) is responsible for eligibility, enrollment, and premiums.

Medicare is for those who are:

- Age 65 or older
- Under 65 if on Social Security disability
- Diagnosed with End-Stage Renal Disease (ERSD) or Amyotrophic Lateral Sclerosis (ALS)

Members who are retired, under age 65, and enrolled in Part A and Part B may voluntarily elect to enroll in a CalPERS Medicare health plan. CalPERS will not automatically enroll them; they must notify CalPERS of their desire to enroll. CalPERS only automatically enrolls members over 65 into Medicare when we receive their Part A and B enrollment info. If a member elects to enroll in a CalPERS Medicare health plan when they are under 65, they may not return to a Basic plan unless they are involuntarily terminated from Part A/B.

There are four parts to Medicare:

- Part A – Hospital Insurance
- Part B – Medical Insurance
- Part C – Medicare Advantage Health Plans
- Part D – Prescription Drug Coverage

Medicare does not cover all medical expenses or long-term care.

Medicare Part A – Hospital Insurance

Medicare Part A is hospital insurance that helps to pay for inpatient hospital stays and skilled nursing facilities, home care after a hospital stay and hospice care.

Generally, if you, or a current, former, or deceased spouse earned at least 40 credits under Social Security/Medicare-covered employment, you'll receive Part A at no cost. Part A can also be purchased but it isn't required. If you're not eligible for premium-free Part A, you don't have to enroll in Medicare. If you're under age 65, you may qualify for premium-free Part A due to a disability or for ESRD or ALS.

Medicare Part B – Medical Insurance

Medicare Part B is the medical insurance that helps pay for doctors' services, outpatient care, and some other services not covered by Part A.

Medicare Part B Premium

Everyone enrolled in Part B is required to pay a premium to Social Security. The Social Security Administration establishes your cost of Medicare Part B premiums annually based on your income reported to the IRS.

If you're collecting Social Security benefits, the premium will be deducted from your check, otherwise you're billed quarterly. Failure to pay your premium will result in cancellation of your Part B and CalPERS health benefits.

Enrollment may occur:

- Automatically at age 65 if receiving SSA benefits
- Under age 65 with certain SSA disabilities
- During Initial Enrollment Period, if age 65 and retired but not yet drawing SSA benefits
- When your active health coverage ends, when retiring after age 65

If you are already receiving Social Security benefits, you should enroll in Medicare Part A and Part B. You can begin signing up 3 months before your 65th birthday. If you don't apply when first eligible at age 65 or once your active employer group health coverage ends, then Medicare will allow you to apply during the General Enrollment Period which is January 1 through March 31 of each year. The effective date of Part B is July 1st of the same year in which you applied for Medicare Part B.

There is a federally mandated penalty of 10 percent added to the monthly premium for each 12-month period where you should have enrolled but didn't. This creates a permanent increase to your monthly Part B premiums.

Medicare Part C - Medicare Advantage Health Plans

Medicare Part C offers plans that coordinate with Medicare directly. They include Parts A, B and usually D. When you retire, become eligible, and enroll in Medicare Parts A and B, you'll be enrolled in a CalPERS Medicare plan.

You can find more information on the available plans on our [Retiree Plans & Rates](#) page. If you're not currently enrolled with one of these health plan carriers, you'll be required to change your health plan at the time you go on Medicare. We'll notify you if you must change your health plan.

For more information on Medicare eligibility, enrollment, and premiums contact Social Security. You can also review our [Medicare](#) page and read our [Medicare Enrollment Guide](#).

Medicare Part D – Prescription Drug Coverage

Medicare Part D is a Medicare prescription drug coverage plan. All CalPERS Medicare health plans include Medicare Part D and the plans will enroll you.

You may receive multiple solicitations by mail regarding enrollment into a Part D plan. As a CalPERS member you should not enroll in any Medicare Part D plans outside of CalPERS. If you do so, you'll lose your CalPERS health coverage.

CalPERS Medicare Enrollment

State law requires that if you're eligible for premium-free Medicare Part A and want to keep your CalPERS health coverage, you must enroll in both A and B and go into a CalPERS Medicare Plan.

If you're **not** entitled to premium-free Medicare Part A, you'll need to provide proof of ineligibility and can then remain in a CalPERS basic health plan. You can elect to purchase Part A. If you do, then you'll be required to enroll in Medicare Part B as well and coordinate your CalPERS health benefits with Medicare.

If you do not qualify for premium-free Medicare Part A but qualify for Medicare Part B, you may be able to enroll in the Kaiser Permanente Senior Advantage (KPSA) plan. KPSA is the only Medicare Advantage plan offered by CalPERS in which members without premium-free Medicare Part A but with Medicare Part B are allowed to enroll.

Important: If you are eligible for Medicare, you must enroll, or your CalPERS health coverage is terminated.

Enrollment Process

If already retired, you'll begin to receive notifications from us before your 65th birthday. Regulations require that we only need to send one notice to enroll in Medicare, however we send four.

- Four months prior to your 65th birth month
- Two months prior to your 65th birth month
- Final reminder one month prior to your 65th birth month
- Cancellation notice on first day of 65th birth month.

With each of the notifications you're informed of your Medicare health plan options as well as provided the [Ineligibility of Medicare Certification](#) form. This form is completed if you don't qualify for Medicare or are covered under an Employer Group Health Plan. If you're enrolled in Medicare A and B before the reminder notice, then nothing is required by you. We'll get the information from CMS.

If you aren't enrolled before age 65, the you must complete the [Certification of Medicare Status](#) form with a copy of your Medicare Parts A and B card.

Complete the ***Ineligibility of Medicare Certification*** form if you're still working past age 65 and covered under an active group plan through you or your spouse and need to defer Medicare enrollment or if you don't qualify based on your or your spouse's work record.

Remember, it's important to complete this form if you fall under one of these situations to avoid having your CalPERS health benefits canceled.

Special Enrollment Period

If you retire after age 65 and are eligible, you must enroll in Medicare Part B through SSA within 60 days of separation. This is the special enrollment period. Submit the Certification of Medicare Status form along with a copy of your Medicare card or eligibility letter from SSA.

It's very important to remember that failure to enroll in Part B and notify us will result in cancellation of your CalPERS health coverage.

Any forms or documentation you submit to CalPERS should include your CalPERS ID number. This is your unique identifier for doing business with CalPERS. You can find this number on your [myCalPERS](#) account under the **Profile** tab, then select the *Personal Information* link.

CalPERS Medicare Health Plans

There are two types of Medicare plans that we offer.

- Supplemental to Medicare plans
- Managed Medicare plans (Medicare Advantage)

Managed Medicare Plans

Medicare Advantage Plans or managed Medicare plans are when you assign your Medicare benefits to your health plan. CalPERS offers Medicare health benefits plans for all the Basic plans offered, except for HealthNet:

- [Anthem Blue Cross](#)
- [Blue Shield](#)
- [Kaiser Permanente](#)
- [Sharp Direct Advantage](#)
- [UnitedHealthcare](#)
- [Western Health Advantage](#)

If you are enrolled in Health Net, which does not have a Medicare plan, then when you or your dependents go on Medicare, you will need to change health plans.

Enrollment by you or your family members in a CalPERS Medicare health plan will not affect other family members who are enrolled in a CalPERS Basic health plan. Unless they are Medicare-eligible, they will continue their enrollment in a CalPERS Basic health plan as part of a Combination Plan. A Combination Plan

means that at least one family member is enrolled in a Medicare health plan and at least one family member is enrolled in a Basic health plan through the same health carrier. CalPERS requires all family members to have the same health carrier.

Supplement to Medicare Plans

There are two supplemental to Medicare plans under [Anthem Blue Cross](#):

- [PERS Gold](#)
- [PERS Platinum](#)

These are considered Preferred Provider Organizations (PPO). Under these plans, Medicare is the primary provider and your health plan supplements Medicare.

Association Medicare Plans

There are also two plans available to dues paying members of these associations.

- [California Correctional Peace Officers Association - CCPOA Supplement to Medicare Plan](#)
- [Peace Officers Research Association of California - PORAC Supplement to Original Medicare](#)
- [California Association of Highway Patrolmen](#)

Changing Your Medicare Health Plans

There are times that you may need to change your Medicare health plan.

There are a number of permitting events:

- Upon Medicare Enrollment
- During open enrollment
- At retirement
- Birth, adoption, marriage, or loss of coverage
- If you move

It's important to note that the basic plan you are currently on may not have a Medicare option. Check our [website](#) for more information.

You can use the [Health Plan Search by ZIP Code](#) tool to find the Medicare plans available in your area or an area you may be moving to. You can then use the **Search Health Plans** tool in your myCalPERS account to compare plan premiums and services.

Medicare Reimbursement (State and CSU)

Public agency and school retirees are not eligible for Medicare Part B reimbursement through CalPERS. Contact your employer for questions regarding a potential reimbursement. If you're a state of California or California State University (CSU) retiree you may be eligible for partial or full reimbursement of your Medicare Part B premium.

The reimbursement would be the difference between what the state pays and the cost of your health plan's premium, not to exceed the amount of the Part B premium. If your health plan's cost is higher than

what the state contributes, then there's no reimbursement. The reimbursement does not include late enrollment penalties.

You may be eligible for an increased reimbursement based on the Income Related Monthly Adjustment Amount (IRMAA), which provides a higher Medicare reimbursement for your Medicare Part B premium based on a higher Social Security income.

Medicare premiums are adjusted by Social Security annually. In the fall of each year, you'll receive a Medicare beneficiary letter which includes the new premium amount.

You must submit a written request to us each year, with a copy of your benefit notification letter to receive payment. Please write your CalPERS ID (CID) on every page of your IRMAA notice before submitting it to CalPERS. Otherwise, you will only be reimbursed up to the standard amount.

You can also upload your IRMAA documents in your myCalPERS account by selecting the **Health** tab, then the **Health Summary** option. Scroll down to the **Health Deductions** section and select the *Submit Documents* link.

Resources

One of the best resources you can use is our CalPERS website. Under the **Retirees** tab, you can find [Health & Medicare](#) information and links to additional resource.

Visit our [Medicare](#) page to find more information about what we've covered today and more.

Log in to your [myCalPERS](#) account to view your **Health Plan Summary** page, which provides information about your medical plan, coverage type, when you were enrolled, and information about your premium. You'll also find your subscriber information as well as a list of dependents enrolled on your health plan. You can also upload your Medicare documents through your account. More Medicare information can also be found on the [CMS](#) website.

Publications available that provide more information on your health benefits are:

- [Medicare Enrollment Guide \(HBD-65\) \(PDF\)](#)
- [Health Benefit Summary \(HBD-110\) \(PDF\)](#)
- [Health Program Guide \(HBD-120\) \(PDF\)](#)
- Search for Health Plan Evidence of Coverage (EOC) guides by plan name from [Forms & Publications](#).

Contacts

For additional information, you can contact the following:

- CalPERS
 - Submit a question online using **Messages** in myCalPERS. Because myCalPERS is behind your username and password, we may be able to provide a more personalized response.
 - Or, you can call us at **888 CalPERS (888-225-7377)**
- For Medicare, contact the SSA Medicare hotline at **800-772-1213**.
- Review the [Health Insurance Counseling and Advocacy Program](#) or call them at **800-434-0222**.