

The Importance of Enrolling In and Maintaining Your Medicare

Becoming eligible for Medicare is one of the most significant events affecting your County of Orange Retiree health benefits. Not properly enrolling in or maintaining your Medicare Parts A and B coverage or not properly enrolling in a Medicare Advantage health plan can result in any or all of the following:

- Paying significantly **higher health plan rates**.
- **Denial** of enrollment into the retiree health plan you elected.
- Being automatically **enrolled in a plan you did not select** until the next Open Enrollment.
- **Suspension** of your Retiree Medical **Grant** (if applicable).
- **Paying a penalty** to Social Security for failure to enroll in or maintain your Medicare coverage.

To **avoid these consequences**, it is very important to understand your responsibilities for Medicare coverage and enrollment as a County of Orange retiree.

Medicare Enrollment Is Required

Retirees age 65 and older remain eligible for coverage under the County retiree health plan; however, costs and options change. To be eligible to receive the lower rate and to receive the Retiree Medical Grant (if applicable), you **must** be enrolled in Medicare Parts A & B, or Medicare Part B only if

you are not eligible to receive Medicare Part A at no cost. All of the rates shown on the Benefits Enrollment Summary assume that anyone who is eligible for Medicare is enrolled in Medicare Parts A & B, unless otherwise stated. Please call the Benefits Resource Line and speak with a Benefits Specialist if you are not eligible for Medicare Part A and are enrolled in, or intend to enroll in Medicare Part B only.

Important!!

Retirees age 65 and older **must** enroll in Medicare to be eligible to receive the lower rate and the Retiree Medical Grant (if applicable) through the County of Orange.

Ninety (90) days **before your 65th birthday**, the Benefits Center will send you information about your health plan options once you are eligible for Medicare. It is critical that you **start the Medicare enrollment process as soon as possible** to ensure your Medicare coverage is in place by the time you turn 65. If you plan to retire and are already 65, you must start your Medicare enrollment process as soon as possible, preferably 60 – 90 days before your retirement date, to ensure your Medicare coverage is in place when you leave County service.

Medicare Advantage Health Plans and Assigning Your Medicare Benefits

The County of Orange offers the following Medicare Advantage health plans:

- Anthem Blue Cross Preferred Custom PPO
- Anthem Blue Cross Preferred Standard PPO
- Anthem Blue Cross Senior Secure HMO
- Kaiser Senior Advantage HMO Plan
- SCAN HMO Health Plan

Medicare Advantage plans require that you assign your Medicare benefits to that health plan. When you assign your benefits to a plan:

- The doctors and other health care providers agree to accept the Medicare-approved amount as payment. You pay the co-payment and deductible amounts.
- You must use the health plan doctors and facilities that are in the plan's provider network.

Assigning Your Medicare Benefits

If you enroll in a Medicare Advantage Plan, you are required to assign your Medicare benefits to that plan. If you do not want to assign your benefits, you may enroll in the Wellwise Retiree or Sharewell Retiree PPO plans.

The Wellwise Retiree and Sharewell Retiree PPO plans will continue to be offered for those who do not want to assign their Medicare benefits to a Medicare Advantage health plan.

Medicare Advantage Health Plan Enrollment Forms

If you elect the Kaiser Senior Advantage HMO, you must complete and return an enrollment form to the health plan within the required timeframe. You will receive the enrollment form and due date as part of your Benefits Confirmation Statement. Until your form is received by the health plan and your enrollment is approved by the Centers for Medicare and Medicaid Services (CMS), your election is “pending.” **If you do not return your enrollment form** to the health plan within the required timeframe, or your enrollment is not approved, you will be automatically enrolled in the Wellwise Retiree PPO plan at a significantly **higher rate**.

If you elect any of the Anthem Blue Cross Medicare Advantage plans or the SCAN HMO, no enrollment form is required; however, your enrollment is “pending” until approved by CMS. If your enrollment is not approved you will be enrolled in the Wellwise Retiree PPO plan at a significantly higher rate.

Medicare Advantage Health Plan Approval

CMS must approve your enrollment in a Medicare Advantage plan. If CMS **does not approve** your enrollment, you will be automatically enrolled in the Wellwise Retiree PPO health plan at a significantly **higher rate**, and your Retiree Medical Grant will be suspended. Reasons CMS may not approve your enrollment in a Medicare Advantage plan include:

- You did not pay your Medicare Part B premiums.
- You enrolled in a non-County offered Medicare Advantage health plan.
- You enrolled in a Medicare Part D prescription drug plan separate from your County retiree health plan coverage (for example, a plan offered to individual retirees).

Maintaining Your Medicare Eligibility

It is your responsibility to continue your Medicare Part B payments. If you stop paying Medicare premiums and allow your Medicare Part B coverage to lapse, your Medicare Advantage coverage will be cancelled and you will be automatically enrolled in the Wellwise Retiree PPO health plan at significantly higher rates. In addition, your Retiree Medical Grant (if applicable) will be suspended as you have not maintained the required Medicare enrollment. Your next opportunity to elect a Medicare Advantage plan would be during the next Open Enrollment, unless you experience a Qualified Life Event that allows health plan changes.

Avoid the Consequences of Medicare Enrollment or Assignment Problems

Allowing your Medicare coverage to lapse and/or become assigned elsewhere can have a significant impact and be extremely expensive when it comes to your County of Orange retiree health plans.

- Read the information that is sent to you by the County of Orange Benefits Center. Information is usually sent because a change has been made to your benefits or additional information or action is required.
- Never assign your Medicare Benefits to another health plan without understanding the impact to your County of Orange retiree benefits.
- Pay your Medicare premiums on time and keep your coverage up to date.

Enrolling in Kaiser HMO?

Don't forget to complete and return your enrollment form if you are enrolling in the Kaiser Senior Advantage HMO. If your enrollment form is not returned within the allotted time, you automatically will be enrolled in the Wellwise Retiree PPO at a higher rate.

No enrollment form is required when enrolling in any of the Anthem Blue Cross plans or the SCAN HMO.

Medicare Advantage Plan Approval

CMS must approve all enrollments in a Medicare Advantage plan. If you are not approved by CMS, you automatically will be enrolled in the Wellwise Retiree PPO plan.

Questions?

Contact the County of Orange Benefits Center at 1-866-325-2345 with any questions you have about your benefits.