MEDICARE BENEFIT SUMMARY FOR RETIRED FACULTY/COACHES BEFORE AND AFTER JANUARY 2, 1999 (updated for 2018)

Medicare Eligible - Coverage effective the first day of month in which you turn 65 years of age, unless the birthday falls on the 1st day of the month making Medicare effective the first day of the preceding month. This age eligibility does not rise even though the full retirement age for Social Security benefits increased to age 67 (full retirement age is calculated from your year of birth beginning with the year 1938). Contact Social Security approximately 3 months prior to your 65th birth month to begin the process of applying for Medicare or if you become eligible for Medicare prior to age 65. Medicare Part A and B must be in effect on the first day of your 65th birth month (or Medicare eligible month) in order to have full benefits under your State System's annuitant Signature 65 plan. If you are currently receiving Social Security benefits, your Medicare card will be mailed to you automatically. You should receive the card approximately 3 months prior to your birth month.

If you turn 65 or are over 65, are still actively working for the State System and receiving Social Security, Medicare Part A will be considered a secondary carrier if you decide to enroll in Part A while still actively working. Active members should not enroll in Medicare Part B until retirement occurs (enroll 3 months prior to retirement month). There is a special enrollment period if one did not sign up for Part A and/or Part B when you were first eligible because you were covered under a group health plan based on current employment. Members can sign up for Part A and/or Part B as follows: Anytime that you or your spouse (or family member if you're disabled) are working, and you are covered by a group health plan through the employer or union-based group on that work; or during the 8-month period that begins the month after the employment ends or the group health plan coverage ends, whichever happens first. For State System retired members, you and/or your spouse must sign-up for Medicare benefits at least 3 months prior to the 65th birthday or the member's retirement.

There is a 10% penalty, compounded on an annual basis, for individuals who do not enroll in Medicare Part B on their effective date (exception to this is still actively working and covered under a group employer plan). Eligibility for Medicare may occur earlier if the member receives social security disability or under certain medical conditions.

APSCUF members who retired prior to January 2, 1999, retain the option of enrolling in Medicare Part B or continuing under the basic Medical/Surgical plan. All members must have Medicare Part A.

MEDICARE PART A - FEDERALLY MANDATED (NO PREMIUM REQUIRED). Medicare Part A (no premium) covers hospital charges except for ineligible services, deductible and co-insurance. Highmark's Medicare Compliment Plan (premium paid by State System – depending on your date of retirement, some members are assessed an employee contribution by the PASSHE) covers the Medicare Part A deductible and co-insurance.

2018 Breakdown for Medicare Part A

Hospital deductible is $1,340. Co-insurance amounts are as follows: $335 a day for 61st-90th days of hospitalization, $670 a day for the 91st -150 days of hospitalization (lifetime reserve hospital days. You pay all costs for each day after the lifetime reserve days) and, skilled nursing days 1–20: $0 for each benefit period - days 21–100: $164.50 coinsurance per day, and days 101 and beyond: you pay all costs.

Staying overnight in a hospital does not always mean the visit qualifies as an inpatient stay. Inpatient is defined as the doctor formally admitting you to a hospital with a doctor's order. Always ask if you are considered an inpatient or an outpatient since it affects what you pay and whether you will qualify for Part A coverage in a skilled nursing facility. The deductibles and co-insurances are covered under your Highmark Medicare Complement Plan. The above deductibles and co-insurances change on an annual basis and typically become effective January 1.

MEDICARE PART B - FEDERAL INSURANCE (PREMIUM REQUIRED)

Medicare Part B covers physician, outpatient hospital, certain home health, surgical services and some durable medical equipment. After the annual Medicare Part B deductible is satisfied the plan will begin to pay 80% of the covered services and he Medicare Complement Plan (premium paid by State System) covers the 20% co-insurance. Medicare Part B's annual deductible is an eligible expense under Major Medical.

One of the main differences when you become eligible for Medicare Part B is that the services incurred at the doctor's office, i.e. visits for colds, flu, rashes, and etc., are eligible under Medicare Part B and not Major Medical.

2018 Breakdown for Medicare Part B

The monthly premium is based on your gross income as reported on your IRS from two (2) years ago. The standard monthly premium for 2018 is $**134.00** for those who filed and individual return of $85,000 or less or joint return of $170,000 or less in 2016 (see end of document for more information).

The 2018 Medicare Part B **annual deductible is $183**. Medicare Part B pays 80% of the charge and the Highmark Medicare Compliment pays 20%.

The premium for Medicare Part B is adjusted annually. The effective date for the increase has always been January 1. Medicare Part B's premium is taken directly from the Social Security check or you are billed. The State System continues coverage under Medicare Complement plan and Major Medical (RX coverage) component. Depending on your date of retirement, the State System will bill you for the employee contribution amount on a quarterly basis either through a deduction from SERS, electronic debit or billing you quarterly.

Medicare Part D

If you are eligible for the PASSHE annuitant health plan, you DO NOT NEED ENROLL in Medicare Part D. Your prescription drugs are eligible under the Major Medical portion of the Highmark Medicare Complement plan. You will be assessed your annual deductible and co-insurance (amount is dictated by the CBA retired under). You purchase your prescription at cost, and submit to Highmark on the appropriate form for reimbursement. Highmark will reimburse 80% of the eligible services after the deductible is satisfied. Once you have satisfied the annual coinsurance limit, Highmark will begin to reimburse at 100%.

Medicare Summary Notices

If you get a Medicare-covered service, you will get a Medicare Summary in the mail **every 3 months**. The summary shows all your services or supplies that providers and suppliers billed to Medicare during the 3-month period, what Medicare paid, and what you may owe the provider. Review the Medicare summary and your Highmark statement for the following:

- Highmark Medicare Complement plan coordinated and processed accordingly
- Check to ensure that you indeed did receive all services, supplies, or equipment listed.
- If there are any denied services, call your doctor's or other health care provider's office to make sure they submitted the correct information.
- You can view your Medicare Summary Notice within about 24 hours after processing at www.MyMedicare.gov (must register for access).

Go to https://www.medicare.gov/pubs/pdf/10050-Medicare-and-You.pdf to review the complete 2018 Medicare & You booklet.

Travel (health care needed when traveling outside the United States)

Medicare generally doesn't cover health care while you're traveling outside the U.S. (The "U.S." includes the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.) There are some exceptions, including cases where Medicare may pay for services you receive while on board a ship within the territorial waters adjoining the land areas of the U.S. Medicare may pay for inpatient hospital, doctor, or ambulance services you get in a foreign country in these rare cases:

- You're in the U.S. when an emergency occurs, and the foreign hospital is closer than the nearest U.S. hospital that can treat your medical condition.
- You're traveling through Canada without unreasonable delay by the most direct route between Alaska and another U.S. state when a medical emergency occurs, and the Canadian hospital is closer than the nearest U.S. hospital that can treat the emergency.
- You live in the U.S. and the foreign hospital is closer to your home than the nearest U.S. hospital that can treat your medical condition, regardless of whether an emergency exists. Medicare may cover medically necessary ambulance transportation to a foreign hospital only with admission for medically necessary covered inpatient hospital services. You pay 20% of the Medicare-approved amount, and the Part B deductible applies.

If medical assistance/services are required while travelling outside the United States and Medicare does not cover the service(s), secure those medical services and retain all necessary documentation from the provider/facility. Upon returning home submit copies of the bills and documentation to (foreign claims do not have to be submitted to Medicare for a denial prior to submission to Highmark Blue Shield). Medicare members are to use the same claim form for the Highmark Blue Shield submission as they do for their prescription drug submissions.

The members with the alpha prefix ZAL are not eligible for worldwide services and claims processing. PASSHE members who receive services outside the country can file to Major Medical only.

If the members under this alpha prefix need assistance with locating foreign providers they can call Member Services or they can use the www.bcbs.com website.

Those members who are not eligible for Medicare, effective Jan. 1, 2017, international claims are now to be submitted on the BCBS Global Core claim form to the following address: Service Center, PO Box 2048, Southeastern, PA 19399 -OR- claims and relevant forms/information can be submitted via email to Claims@bcbsglobalcore.com. Click here to download a PDF containing more information.

As a result of the Affordable Care Act, Medicare now covers many of these services without cost to patients, including the new Annual Wellness Visit that was created under the Affordable Care Act. A checklist is located in Medicare & You 2018. Additional details such as frequency and limitations can be viewed on Medicare's website. Go to https://www.medicare.gov/pubs/pdf/10050-Medicare-and-You.pdf to review the complete 2018 Medicare & You booklet.

Please Note: In 2016 and 2017, there may be limits on physical therapy, occupational therapy, and speech language pathology services. If so, there may be exceptions to these limits.

Medicare Part B's premium can be adjusted based on your annual income. The following is information that has been taken from Medicare's web site which explains how Social Security/Medicare will calculate each individual's rate of premium for Medicare Part B. For complete details and information go to www.medicare.gov.

The below chart and information was taken from Medicare.gov concerning the Medicare Part B premium for 2018:

The standard Part B premium amount in 2018 will be $134 (or higher depending on your income). However, some people who get Social Security benefits pay less than this amount ($130 on average). You'll pay the standard premium amount (or higher) if:

- You enroll in Part B for the first time in 2018.
- You don't get Social Security benefits.
- You're directly billed for your Part B premiums (meaning they aren't taken out of your Social Security benefits).
- You have Medicare and Medicaid, and Medicaid pays your premiums. (Your state will pay the standard premium amount of $134.)
- Your modified adjusted gross income as reported on your IRS tax return from 2 years ago is above a certain amount. If so, 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 you're in 1 of these 5 groups, here's what you'll pay:

If your yearly income in 2016 (for what you pay in 2018) was:			You pay each month (in 2018)
File individual tax return	File joint tax return	File married & separate tax return	
$85,000 or less	$170,000 or less	$85,000 or less	$134
above $85,000 up to $107,000	above $170,000 up to $214,000	Not applicable	$187.50
above $107,000 up to $133,500	above $214,000 up to $267,000	Not applicable	$267.90
above $133,500 up to $160,000	above $267,000 up to $320,000	Not applicable	$348.30
above $160,000	above $320,000	above $85,000	$428.60

Get more information about your Part B premium from Social Security [PDF, 341 KB].

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