



When You Turn 65

Today 62 million Americans are enrolled in Medicare and you are about to join their ranks. We have created this booklet to help you through the process of signing up and making choices about the options open to you.



PRIOR TO MEDICARE, those Americans over 65 without access to an employer’s or a private insurance plan were on their own. UFT members were in that group. Despite President Harry Truman’s repeated efforts to win legislation for a national health insurance program, the bills died in Congress. Medicare legislation finally passed in 1965 and 19 million people immediately signed up.

Al Shanker, then UFT president, along with other labor union leaders, petitioned the city to provide health insurance coverage for public employee retirees who, until then, had no health benefits. Retirees between the ages of 55 to 65 won continuation of the health coverage they had enjoyed while in service. For retirees 65 and over—Medicare-eligible retirees—the city agreed to cover the 20% of costs not covered by Medicare.

Today that formula still holds. The city continues to pay the 20% and the full reimbursement to retirees for Medicare Part B benefits.

We’ve worked hard as a union to secure the very best health care package for both our in-service and retired members, but there are forces at work today trying to erode what we have won. We ask you to join us in our political battle to oppose those forces.

This handout should not be your only source of information, as it is based on currently available information that is subject to change. In all cases, the specific provisions of the governing laws, contractual agreements, rules and regulations prevail.



What is Medicare?

Medicare is the federal health insurance program for:

- People who are 65 or older and
- Certain younger people with disabilities who are offered Medicare.

All NYC retirees and their eligible dependents who fit into those categories must apply for Medicare.

Medicare Part A

Hospital services, skilled nursing facilities, rehabilitation facilities and hospice care.

Medicare Part A is provided to most members in retirement at no cost because you paid for it through payroll deductions when you were an in-service member.

Medicare Part B

Physicians' visits and laboratory tests.

There is a premium for Medicare Part B.

Medicare Part D

Most prescription medications are covered by Medicare Part D, although some are covered by Part B.

If you took the Optional Rider benefit to your city health plan, you do not need to sign up for another Part D plan. Your NYC drug plan is a creditable Medicare Part D plan.



Types of Medicare?

Original Medicare and Medicare Advantage Plans

Once you become eligible for Medicare, you can choose to get your Medicare benefits from Original Medicare or a Medicare Advantage Plan. NYC offers both types of plans to its retirees. **The NYC retiree health plan that you select determines if you are in Original Medicare or a Medicare Advantage Plan.** Only members with a NYC retiree health plan will receive the Medicare Part B reimbursement.

What things should you consider when choosing a Medicare plan?

- ✓ **Are you happy with your current plan and its cost?** If you are happy, you do not need to do anything.
- ✓ **Where is your permanent residence?** Plans may be limited by where you live.
- ✓ **Do you have a second home out of state?** You may want a plan that works in both states.
- ✓ **Do you travel out of the NYC area often?** You may want a Medicare plan that is nationwide.
- ✓ **Do you want to be able to choose your doctors?** You may want a Medicare plan that gives you that option.
- ✓ **Have you researched which hospitals participate in your plan?** You may want to inquire if your hospital of choice accepts Original Medicare or a specific Advantage Plan.



What is Original Medicare?

Medicare Part A (hospital insurance) and Medicare Part B (medical insurance) are often referred to as Original Medicare. After you pay a deductible, Medicare pays its share of the cost first (80% of the approved charge) and then they send the claims directly to your Medigap plan (your NYC retiree health plan, which pays 20% of the Medicare-approved charge). **GHI Senior Care** is an example of an Original Medicare plan.

You can go to any doctor, health care provider, hospital, or facility that's enrolled in Medicare and accepting new Medicare patients.

NYC Retirees who have the Optional Rider to their health insurance do not need another prescription drug plan. Your Optional Rider will become your Medicare Part D.

What are Medicare Advantage (MA) Plans?

Medicare Advantage Plans are an “all-in-one” alternative to Original Medicare and are sometimes referred to as “bundled plans.” **HIP VIP Premier** is an example of a Medicare Advantage Plan.

MA plans must cover everything that Original Medicare covers, but they can do so with different costs and restrictions.

In many cases, you'll need to use health care providers who participate in the plan's network and service area for the lowest costs. Some plans offer out-of-network coverage, but sometimes at a higher cost. Remember, you must use the card from your Medicare Advantage Plan to get your Medicare-covered services. Keep your red, white, and blue Medicare card in a safe place because you'll need it if you ever switch back to Original Medicare.

Medicare Advantage Plans can have different rules and payment responsibilities. *Please contact the plan for additional information.*

NYC Retirees who have the Optional Rider to their health insurance do not need another prescription drug plan. Your Optional Rider will become your Medicare Part D.

More information about Medicare Advantage plans can be found at the following link: <https://www.medicare.gov/sign-up-change-plans/types-of-medicare-health-plans/things-to-know-about-medicare-advantage-plans>

When to apply for Medicare

<p>Turning 65 and In-Service</p> <p>No Plan for Retirement</p> <p>(See section on Request for Employment Information CMS-L564 form)</p>	<p>When you, or anyone on your plan, is disabled and offered Medicare, or is age 65:</p> <p>Apply for Medicare Part A and defer Medicare Part B until your retirement.</p> <p>Exception: Domestic Partners MUST apply for both Medicare Part A and Part B to be effective upon their 65th birthday.</p>
<p>Turning 65 and Retiring within the next 3 months</p> <p>(See section on Request for Employment Information CMS-L564 form)</p>	<p>When you or anyone on your plan is age 65 or disabled and offered Medicare:</p> <p><u>Immediately</u> apply for Medicare Part A and Medicare Part B effective your retirement date.</p> <p>Your Medicare Parts A & B must be effective for the month of your retirement date in order to have continuous health benefits.</p>
<p>Already 65 and Retiring</p> <p>3 or more months away</p> <p>(See section on Request for Employment Information CMS-L564 form)</p>	<p>When you or anyone on your plan is already age 65:</p> <p><u>Three months ahead</u> of your retirement date, apply for Medicare Part A & Medicare Part B, effective your retirement date.</p> <p>Your Medicare Parts A & B must be effective for the month of your retirement date in order to have continuous health benefits.</p>
<p>Turning 65 and Already Retired</p>	<p>When you or anyone on your plan is turning age 65:</p> <p>Apply for Medicare Part A and Part B effective the first of the month of the birthday.</p> <p>Exception: If the birthday is the 1st of any month, then the effective date must be the 1st of the month prior to the birth month.</p>

It is important to apply at the appropriate time in order to avoid a late-enrollment penalty.



How do I apply for Medicare?

Those individuals already receiving Social Security benefits will have their Medicare card mailed to them automatically prior to their 65th birthday.

You can apply for Medicare by calling your local Social Security office at 1 (800) 772-1213 or apply online at <https://www.medicare.gov>

How do I obtain a Request for Employment Information CMS-L564 form from the Department of Education?

IF YOU ARE ALREADY RETIRED, SKIP THIS QUESTION.

If you or a dependent are already Medicare-eligible when you retire, Social Security will require health coverage documentation in order to avoid a late-filing penalty. *The Request for Employment Information L564 form* is used for proof of group health coverage based on current employment. This information is needed to process your Medicare enrollment application.

This process adds additional steps to your retirement process so we encourage you to leave ample time between handing in your retirement papers and your retirement date to get this in place.

In order to obtain the *Request for Employment Information*:

1. Submit your Teachers' Retirement System (TRS)/NYC Board of Education Retirement System (BERS) retirement papers and obtain retirement receipt.



2. Submit your NYC Health Benefits Application and your retirement system receipt to the DOE. You must ask for a completed *Request for Employment Information CMS-L564* form for you and/or your spouse, which will be returned to you via email when processed.
3. Submit your completed *Request for Employment Information CMS-L564* form to Social Security. You must request an awards letter or show proof of your Medicare Part A and Part B enrollment from Social Security, which you will forward on to the DOE. The Medicare effective date should be no later than the month in which you retire for seamless medical coverage.
4. Once the DOE receives this information they will process your retiree health benefits.
5. You will receive new medical cards in the mail.

What health plans are offered to NYC Medicare-eligible retirees?

NYC offers a variety of Medicare plans. Please visit the following website for up-to-date information on the plans offered to retirees:

<https://www1.nyc.gov/site/olr/health/summaryofplans/summaryofplanshome.page#retireeplans>

The cost of these plans can be found under Health Plan Premiums on the left side navigation menu, by clicking on the “Related Links” at the bottom of the page:

<https://www1.nyc.gov/site/olr/health/retiree/health-retiree-forms-and-downloads.page>

What happens if I have a health plan other than GHI?

If you have any plan other than GHI when you or a dependent become eligible for Medicare Part B, you must acquire a Special Enrollment form. The form is needed to apply for the Medicare version of your insurance. Call the number provided by your health insurer on the back of your insurance card. Identify yourself as a NYC retiree.



Can I change my health plan when I become Medicare-eligible?

Yes, you are able to change your health plan when you first become eligible for Medicare Part B. Changes after this time are restricted to the regular transfer period (November of even years) and special exceptions (once in a lifetime after a year of retirement or relocating out of coverage area). To make a health plan change, complete a NYC Health Benefits Application and include a note explaining that you are changing plans because you just became eligible for Medicare Part B.

Link to Health Benefits Application:

<https://www1.nyc.gov/assets/olr/downloads/pdf/health/health-benefits-application.pdf>

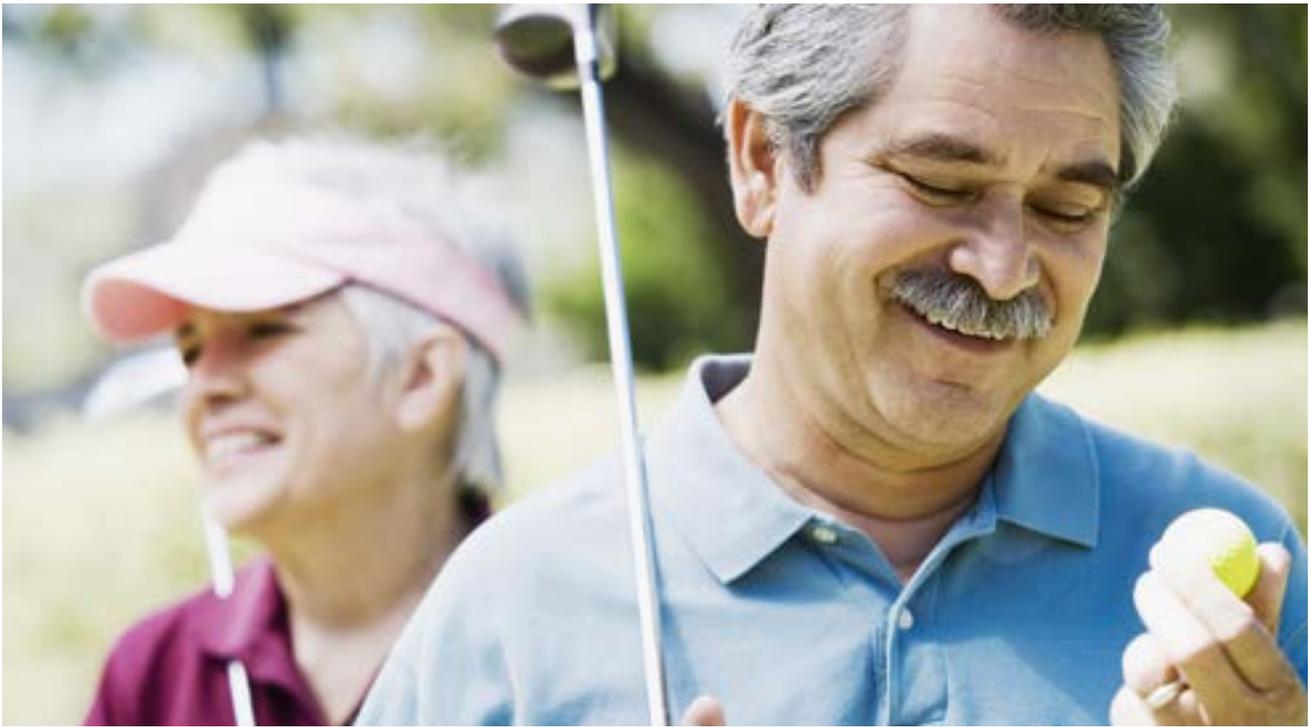
Should I enroll for Part D when applying for Medicare?

There is no need to enroll in Part D if you have the Optional Rider to your health plan. Your current prescription coverage will become an approved Medicare Part D plan.

Will there be any changes in the cost of my medications once I am on Medicare?

All prescription plans through New York City are approved Medicare plans and must follow Medicare rules. You will be required to pay a percentage of the drug cost as opposed to a copay. Your cost can be more, less, or the same as what you paid prior to Medicare. The cost is based on the price of the medication and its tier in your Part D provider's drug formulary. The UFT Welfare Fund reimburses out-of-pocket costs when you enter the Medicare catastrophic phase. This is done annually.

For more information go to: <https://www.uft.org/retiree-red-apple>



Do all providers accept Medicare?

ORIGINAL MEDICARE

Although most doctors accept Medicare, they are not mandated to do so.

- Providers who accept Medicare assignment must accept the Medicare-approved rate.
- Providers may participate in Medicare and not accept assignment in full. These providers can charge up to 15% above the Medicare-approved rate.
- Providers who do not accept or participate Medicare can set their own fees for services.

Always ask the provider this question: “Do You Accept Medicare Assignment In Full?”

MEDICARE ADVANTAGE

Medicare costs are generally covered by providers within the Medicare Advantage network.

Please contact your specific Medicare Advantage plan for more information.

How can I find out if there are out-of-pocket costs when I go to the doctor?

- Medicare will send you the book, “Medicare and You” each year.
- You can ask your health care professional.
- Go to <https://www.medicare.gov> for further information.

Your New York City plan may have additional out of pocket expenses.

Click on your provider at this link:

<https://www1.nyc.gov/site/olr/health/summaryofplans/summaryofplanshome.page#retireplans>



Medicare Premiums

	Standard	Income-Related Monthly Adjustment Amount IRMAA
Medicare Part A	Most people do not have to pay for Part A because they have paid for it through payroll deductions during their career.	N/A
Medicare Part B	<p>There is a standard premium for Medicare Part B which is determined by the federal government each year.</p> <p>If you are collecting Social Security, you pay for your Medicare Part B premiums through monthly deductions from your Social Security check. If you are not collecting Social Security, you will be billed directly for your Medicare Part B payment.</p>	<p>Medicare Part B is income-based, so some people with higher incomes pay a surcharge called IRMAA (Income-Related Monthly Adjustment Amount) in addition to the standard Medicare Part B premium.</p> <p>Each year the federal government looks at reported income from tax returns two years prior to determine if you must pay an IRMAA surcharge.</p> <p>Your total Medicare premium is the standard amount plus any IRMAA.</p> <p>Current IRMAA income brackets are available at: https://www.medicare.gov/your-medicare-costs/part-b-costs</p> <p>This cost, minus late filing penalties, is reimbursed by NYC.</p>
Medicare Part D	<p>If you have the Optional Rider to your retiree health plan, it will become your Part D prescription plan.</p> <p>The cost of your optional rider is deducted from your pension.</p>	Those who pay a Part B IRMAA will also be charged a Part D surcharge by Medicare on top of the cost of the Optional Rider. This is NOT reimbursable.

Medicare Part B reimbursement

NYC reimburses **Medicare Standard Part B** for NYC retirees and their Medicare-eligible dependents. You must notify NYC when you receive your Medicare Part A and Part B card. Submit a copy of your **Medicare Card** and the **Notification of Medicare Part B Enrollment Application** at: <https://www1.nyc.gov/assets/olr/downloads/pdf/health/med-b-application.pdf> electronically to the NYC Office of Labor Relations at <https://nyemployeebenefits.leapfile.net>

This process is done just once per person. Please note, when submitting for an eligible dependent, the UFT member must always complete section 1. All Standard Medicare Part B reimbursements are **automatically** distributed in April.

NYC also reimburses **IRMAA** for NYC retirees. You must apply for your **IRMAA** reimbursement each year at: <https://www1.nyc.gov/site/olr/health/retiree/health-retiree-forms-and-downloads.page>

IRMAA applications should be submitted to the Office of Labor Relations after receiving the standard Part B reimbursement in April. IRMAA is distributed in October and requires annual application.

When applying for IRMAA you must include proof of payment. *Be sure to save these documents as you receive them.*

IRMAA PROOF # 1

A Social Security letter is sent in November or December prior to the new claim year, describing your Medicare premium. The letter itemizes the standard and the IRMAA premiums.

This document shows the amount you are **estimated** to pay in the upcoming year.

Social Security Administration

Date: November 26, 200X
Claim Number: XXXX-XX-XXXX

City N.Y. Retiree
123 Your Home Street
New York, NY 1111-1111

Your Social Security benefits will increase by XX percent in 200X because of a rise in the cost of living. The premium you pay for Medicare Part B (Medical Insurance) will increase because a Medicare law required some people to pay a higher premium for their Medicare Part B coverage based on their income.

The information in this notice about your premium is for one year only.

How Much Social Security Will I Get?

- Your new 200X monthly benefit amount before deduction is: \$ XX,XXX.XX
- Your 200X deduction for Medicare Part B premium is: \$ XXX.XX
 - \$ XX.XX for the standard Medicare premium, plus
 - \$ XXX.XX for the income related monthly adjusted amount based on your 200X income tax return
- Your benefit amount after deductions that will be deposited into your bank account or sent in your check on January XX, 200X is: \$ X,XXX.XX

Your Medicare Part B Premium

Your Medicare Part B premium for 200X is the standard Medicare premium, plus any surcharges for late enrollment or re-enrollment, plus an income-related adjusted amount.

Sample SSA Statement



IRMAA PROOF #2

If you are collecting Social Security, you will receive an SSA-1099 for tax purposes in January following the end of the claim year.

This document shows your **actual** Medicare payment.

If you are **not** collecting Social Security, you need to provide proof of all payments for the IRMAA claim year, such as a bank statement or Medicare receipts.

FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

20XX • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 9 MAY BE TAXABLE INCOME. • SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name		Box 2. Beneficiary's Social Security Number
Box 3. Benefits Paid in 2011	Box 4. Benefits Repaid to SSA in 2011	Box 5. Net Benefits for 2011 (also see Box 4)
<p style="text-align: center; font-size: small;">DESCRIPTION OF AMOUNT IN BOX 3</p> <p style="font-size: x-small;">Paid by check or direct deposit: Medicare Part B premiums deducted from your benefits Total Additional Benefits for 20XX</p>		<p style="text-align: center; font-size: small;">DESCRIPTION OF AMOUNT IN BOX 4</p> <p style="font-size: x-small;">Box 6. Voluntary Federal Income Tax Withheld</p> <p style="font-size: x-small;">Box 7. Address</p> <p style="font-size: x-small;">Box 8. Claim Number (Use this number if you need to contact SSA)</p>

Form SSA-1099-SM (1-2011) DO NOT RETURN THIS FORM TO SSA OR IRS

Sample SSA 1099

Why is Social Security charging me for Medicare when I already pay for the Optional Rider?

Your Medicare Part B premium is paid to Social Security. The Optional Rider provides your Part D prescription coverage and is deducted from your pension.

What if my spouse and I turn 65 at different times?

This is called a split plan because there is both Medicare and non-Medicare coverage. The non-Medicare individual's plan remains the same. The Medicare individual's plan will abide by Medicare rules.

Where can I find all of my personal Medicare information?

Medicare offers its participants access to personalized information online. Create your own "My Medicare" account where you can view claims, print out your Medicare card, etc. You can sign up for this account by going to: <https://www.MyMedicare.gov>

Why am I suddenly getting so much mail about Medicare plans?

Once on Medicare you will receive a lot of mail from various Medicare Supplemental Providers; some may even be from the same company you currently have.

Always check to be sure that this offer is for a legitimate NYC retiree health plan by clicking on the following link to see if the plan is listed:

<https://www1.nyc.gov/site/olr/health/summaryofplans/summaryofplanshome.page#retireeplans>

What if I still have additional questions?

The UFT is always here to help you.

Quick Links are available at:

<https://www.uft.org/chapters/retired-teachers-chapter>

or

Call the UFT Welfare Fund at (212) 539-0500.



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