

An elderly couple is shown in a warm, indoor setting, likely a kitchen. The man, with a white beard and hair, is wearing a green sweater and looking towards the right. The woman, with short blonde hair and glasses, is wearing a grey knit sweater and has her arm around the man's shoulder, smiling broadly. They are both looking off-camera to the right. The background features a stone wall and a window with greenery outside.

Medicare & Employer Coverage

What You Need to Know

What is Medicare?

Medicare is the federal health insurance program for people who are 65 and older, certain people with disabilities under age 65 and people with End-Stage Renal Disease or Lou Gehrig's Disease. The program helps with the cost of health care, but does not cover all medical expenses or the cost of long-term care. Medicare has four parts: Part A, Part B, Part C, and Part D.

Who is Eligible?

In general, individuals who are U.S. citizens, who are 65 years old and who have worked at least 10 years in this country, or individuals deemed disabled for 24 months may be eligible for Original Medicare Part A at no cost and Part B by paying a premium based on income.

How Do I Enroll in Medicare?

An individual can enroll in Medicare at a Social Security office, by calling Social Security (800-772-1213) or online at www.Medicare.gov. There are specific timeframes involved when enrolling. Consult with an ARC representative about these enrollment periods.

Why is it Important to Enroll?

There are regulations surrounding enrolling in Medicare that can result in a financial penalty. If you are working, you may or may not need to enroll in Part A and/or Part B. Other regulations involve COBRA, HSA health plans, creditable and non-creditable plans, and other types of plans. An ARC representative can help you understand whether you need to enroll in Medicare. If you are working, we can compare your current plan to Medicare to determine which plan best meets your needs.

What are the Four Parts of Medicare?

There are four parts that make up Medicare: Part A, Part B, Part C, and Part D.

ORIGINAL MEDICARE

Part A

Part A covers inpatient hospital expenses, skilled nursing care, hospice, and some home health care costs.

Part B

Part B covers medically necessary doctor visits, outpatient surgery, physical therapy, home care, and medical equipment.



Part D (optional)

Part D provides outpatient prescription drug coverage. Plan can be purchased on a standalone basis or be included in a Medicare Advantage plan. Plans vary in price, copays, and the drugs included on their formulary (prescription drug list).



Medicare Supplement or Medigap (optional)

Medicare Supplement, or Medigap, plans cover the “gaps” in Original Medicare (Part A and Part B). These gaps include items like copayments, coinsurance, and deductibles. Medicare Supplement plans are provided by private insurance companies.

OR MEDICARE ADVANTAGE

Part C or Medicare Advantage

Part C, also known as Medicare Advantage, provides the same coverage as Part A, Part B, and often Part D, but coverage is provided by private health insurance carriers that have a contract with Medicare.

Medicare Advantage plans may have no or low monthly premiums, copays, and annual out-of-pocket maximums to protect a person from catastrophic illness. These plans can include more benefits than Original Medicare (Part A and Part B). Additional benefits may include coverage for prescriptions, a comprehensive physical, dental, vision, routine foot care, and gym memberships.

What questions should I ask when considering which plan to enroll in?

The following questions may help you decide which plan is best for you. Review this each year.

Can I keep my doctor if I enroll in Medicare?

It depends if your doctor accepts Medicare reimbursement, or if they are contracted with a Medicare advantage plan. Doctor's may be contracted under your group insurance plan, but may or may not be contracted for Medicare. Ask your doctor, or your ARC representative to research and find out for certain.

Are my prescriptions covered?

Part D plans and Medicare Advantage plans have formularies (lists of covered drugs). The drugs on these lists vary and change year to year. A review of the formularies would be needed to determine the best plan for you. An ARC professional can assist you with this.

What if I plan to travel inside or outside of the United States?

Medicare does not cover a person outside the country. Some supplements and Medicare Advantage plans cover a person for worldwide emergencies. Medicare Supplements allow you to seek care anywhere in the US, as long as the provider accepts Medicare reimbursement. For Medicare Advantage plans, you would need to make sure your provider is in network, except in cases of emergency or urgently needed care.”

What if I am still working?

As you approach your 65th birthday, it is important to review your Medicare options. Please use the chart below to assist you with your next steps. These are general rules; however, each person is different. An ARC client advisor will help you with your specific situation at no cost to you.

| If you are... | Then... |
|--|---|
| Covered on an employer plan with a company with MORE than 20 employees total (including part-timers)... | <ul style="list-style-type: none"> You always have the option to remain on the employer’s plan as long as you are actively employed which will pay as primary before Medicare pays its portion. You don’t have to sign up for Medicare but you will receive Part A just before turning 65. This can impact HSA contributions. See the HSA reference below. |
| Covered on an employer plan with a company with FEWER than 20 employees... | <ul style="list-style-type: none"> You may be required to sign up for both Medicare Part A and B as nearly ALL insurers will pay claims assuming Medicare has paid their portion. This could result in you paying more out of pocket. Medicare is primary coverage for employer groups with fewer than 20 employees. This rule doesn’t apply to those eligible for Medicare due to disability under age 65 or sometimes those on multiple employer plans. |
| 65 or older and considering enrolling in COBRA coverage... | <ul style="list-style-type: none"> It is recommended that you enroll in Medicare Part A, Part B, and potentially Part D or a Medicare Advantage Product instead of COBRA coverage. Under current law, COBRA coverage is not considered qualified coverage and you may pay a late enrollment penalty in the form of a higher premiums. |
| Eligible for Medicare then save your Part D Creditable Coverage Notices... | <ul style="list-style-type: none"> After turning 65, confirm with your employer each year that the prescription drug coverage is creditable to avoid paying higher costs for Part D later. You may have to prove your coverage was creditable for each year you were covered by an employer’s plan. |
| Covered by an HSA-compatible plan (also called a Qualified High Deductible Plan)... | <ul style="list-style-type: none"> Talk to your tax advisor about HSA contributions before and after you become eligible for Medicare if you stay on your employer’s plan. In addition, this may affect amounts your spouse may contribute to an HSA. Having Part A disqualifies the member from making an HSA contribution starting six months before becoming enrolled in Part A. |
| Under age 65 but eligible for Medicare due to a disability... | <ul style="list-style-type: none"> The employer’s plan always pays claims before Medicare. There are some options for Medicare Advantage plans that may cost less and/or have better benefits. Contact your ARC representative to connect with a specialist to review your circumstances and needs. |

Have a Question About Medicare?

Talk to a professional! ARC Benefit Solutions has trained and certified Medicare professionals ready to help you review your choices and make an informed decision. There is no fee for our service. To talk to one of our knowledgeable agents about your individual needs, please call 1-833-342-5272 or visit www.arcbenefitsolutions.com.

