

Retirement Benefits



Medicare and your Retiree Medical Benefits: Working Together for you!

As a retiree of the Rancho Santiago Community College District, you participate in a valuable retiree medical program that is designed to protect you and your eligible dependents financially in case of illness or injury. Once you become eligible for Medicare, our program coordinates with Medicare to give you comprehensive medical coverage. Individual situations vary and you need to determine what is best for you. Please confirm your enrollment eligibility with Medicare @ (800) 633-4227.

- **Part A** - Hospitalization, no charge
 - RSCCD requires all eligible employees to sign up for Part A when turning 65.
 - Sign up 3 months before the month of your 65th birthday @ www.Medicare.gov.
- **Part B** - Doctor Visits
 - There is a monthly charge for Part B
 - If you don't sign up when you are first eligible, you will be assessed a 10% penalty for each year you did not sign-up.
 - If an employee is turning 65 and is still actively working and covered by their group health plan, they may decline Medicare part B without a penalty. It's important to note that COBRA and retiree coverage does not count towards this exception.
 - Retirees with lifetime benefits do not need Part B, however, if the retiree passes away before their spouse, their spouse may need to purchase Part B and they would be assessed the 10% penalty when they sign-up. This could be a significant cost. The surviving spouse can continue the RSCCD benefits by paying the full premium.
 - Once you retire you will have 8 months to enroll in Part B without incurring a penalty. To apply for Part B, go to www.Medicare.gov, click on "I have employer or union coverage" and download the application for enrollment in Part B.
- **Part C** - Medicare Advantage Plan, monthly charge
 - If you choose to enroll in a Medicare Advantage plan, you forfeit your benefits coverage through the District.
- **Part D**, Prescription Coverage
 - Prescription Coverage; You may defer this coverage as long as you have District provided drug coverage which is considered "Creditable Coverage" to Medicare. Keep a copy of the documentation that advised the coverage is creditable, as it may be needed when you do sign up later. Available on District Website, Benefits Dept.



Medicare

(800) 633-4227

www.medicare.gov

How Medicare Coverage Works with District Benefits

- **If Neither You nor Your Spouse are Eligible for Medicare:** If neither of you are eligible for Medicare benefits, then your District retiree coverage will be your only plan until one of you becomes Medicare eligible.
- **You or Your Spouse are Eligible for Medicare:** When one of you becomes Medicare eligible and enrolled in Medicare Part A, Medicare will be the primary form of coverage for the Medicare-eligible family member. This means Medicare pays benefits first; your coverage through the District will be secondary. Anthem will continue to be the primary carrier for the other family member until he or she is Medicare eligible.
- **Both You and Your Spouse Are Eligible for Medicare:** You and your spouse must enroll in Medicare Part A and you should contact Medicare directly to discuss whether or not enrolling in Part B is the best option for you. Since your prescription drug coverage is offered through your current benefits with the District, you do not need to enroll in Medicare Part D

To avoid claim processing delays, you are required to tell your health care provider that you primary health care coverage is through Medicare. This means that Medicare pays for your medical care first. Notifying your provider of this change will help ensure that your claims are submitted correctly and processed in a timely manner.

Your Retiree Medical Decisions

About The Plans

With so many parts to Medicare, it can be confusing to determine how Medicare works with our current benefits and how to enroll. Review this chart to help you better understand how Medicare works.

	Medicare Part A	Medicare Part B
What does it Cover?	Inpatient care (hospitalization, Skilled nursing, hospice)	General medical services (physician visits, diagnostic and lab, durable medical equipment), preventative care
What does it cost?	Free for those who are age 65 and older or those who are disabled	Monthly premium is subject to change each year, based on income
Do I need to enroll?	Yes, it is important that you enroll in these benefits as soon as you are eligible. Remember, it's a good idea to request your Medicare enrollment package three months before your 65th birthday.	You must actively enroll when you become eligible to avoid a potential cost increase for these benefits. If you're unsure if this coverage is right for you, consult a Medicare Representative.
How does Medicare coordinate with my current benefits?	Medicare part A pays first, then Anthem BC pays for eligible care not paid by Medicare, up to the amount allowed under the district plan	Medicare Part B pays first, then Anthem BC pays for eligible care not paid by Medicare, up to the amount allowed under the district plan.

An Important Note about Medicare Advantage (formerly called Medicare Part C)

You may be receiving marketing information and calls regarding Medicare Open Enrollment (through December 31 each year) and/or Medicare Advantage (also called Medicare Part C) plans. Please be aware, you are currently covered under the Rancho Santiago Community College District group retiree plan based upon the collective bargaining agreement and board policies that were in effect on your retirement date. In general, a Medicare Advantage (Part C) plan supersedes any other medical plan—such as your District plan—that coordinates or supplements your Medicare coverage.

That means, your District plan would no longer provide any additional benefits—your only coverage would be through the Medicare Advantage plan.

If you choose to enroll in a Medicare Advantage plan, you agree to forfeit your benefits coverage through the District until the next Open Enrollment period. We urge you to think carefully and be fully informed about your benefits before you seek or enroll in coverage other than, or in addition to, the District coverage. For additional information about Medicare Advantage plans, please visit www.Medicare.gov or contact the District office at 1-714-480-7567

Your Retiree Medical Decisions

Prescription Drug Coverage

Prescription drug coverage is included in your retirement benefits offered through the District and your coverage is considered to be comparable to or better than the prescription drug coverage that is offered through Medicare Part D. Therefore, you do not need to enroll in Medicare Part D. Doing so may cause significant delays in claims processing and may prevent your claim from being paid. **Additionally, enrolling in Medicare Part D means you agree to forfeit your benefits coverage through the District until the next open Enrollment period**



Enrolling in the right Medicare coverage is a personal decision based on your unique situation. Before enrolling in or dropping certain Medicare coverage, consult with a Medicare Representative to determine what options are right for you.

Your Retiree Medical Benefits and the Affordable Care Act

As part of the Affordable Care Act (also referred to as Health Care Reform) effective January 1, 2014 most Americans will be required to purchase a minimum level of health insurance, or pay a penalty. Coverage may include Medicare, employer-provided insurance, coverage you purchase on your own or through the new state and federal health insurance marketplaces, or Medicate. If you are enrolled in Medicare (including Medicare Advantage) you are considered to have the required minimum level of health insurance.

If you're over 65 and on Medicare, you will receive checkups and other preventive care with no deductible or co-payment. In addition, the coverage gap for prescription drugs, the so-called doughnut hole, also will be phased out.

Additional Information

For More information, please contact:

- The District office: 1-714-480-7567
- Medicare: 1-800-633-4227

