

WHAT TO DO WITH MEDICARE?

General Information from Arrow Benefits Group

When you are about to turn 65, suddenly you have a group of new “best friends” who want to take you to breakfast, want you to read their material, take their calls, look at their website and, of course, the government wants you to read a 50 page booklet that tells you all you need to know but not in a format that necessarily helps you know it. Yes, it’s that time to consider Medicare – should I enroll, should I get a supplement, what is the need for the Part D prescription drug plan, is my current plan “creditable” etc?

Here are some answers to the questions we typically get from those eligible for Medicare

1) Do I have to enroll?

Since you are covered by a “large group plan” (Staywell) it is not required that you enroll in Medicare Part A or Part B. You have “creditable coverage” for purposes of the prescription drug plan so there will be NO penalty should you enroll in Medicare past your 65th birthday

2) If I don’t enroll now, when can or should I enroll?

You may enroll within 90 days of your 65th birthday, every December (for a January 1 start date) or within 90 days of your termination from the Staywell plan (termination of regular coverage or COBRA). If you exceed those deadlines then there will be a penalty imposed for “late enrollment”

3) Why should I stay on the Staywell plan?

Everyone has part or all of their premium paid by their school district, and in some cases this applies to dependents as well. If you drop off and enroll in Medicare and appropriate supplements the school district will not be able to make any payment, nor can you have the payment made on a “pre tax” basis through payroll.

4) Why would I enroll in Medicare and the medical and drug supplements?

When you combine Medicare’s payment with one of the richer supplements (we typically recommend Plan F) you will get 100% coverage for medical services and hospitalization, which is superior to the Staywell plan now. You could also get a drug plan that has a series of small “co payments” for covered drugs. Thus the overall coverage may be better, which is one savings. The other potential savings (keeping in mind the tax situation stated above) may also be on the total premium)

5) What is a Medicare Advantage plan?

These are Medicare HMO plans, which have a good payment structure and typically lower premiums than regular Medicare supplements, but restrict your choice of physicians and hospitals. These are typically not sold in Mendocino or Lake Counties, but you can find some in Sonoma County (Kaiser being an example)

6) What are my next steps?

If you decide to proceed, you need to notify your district office that you (or your spouse, or both) are dropping off the Staywell plan.

Should you have any questions about your rights and opportunities with regard to Medicare, you can contact Jordan Shields at Arrow Benefits (direct 707-224-6690 or jordans@arrowbenefits.com) and we can walk you through it and recommend a Medicare specialist for you to proceed with enrollment.