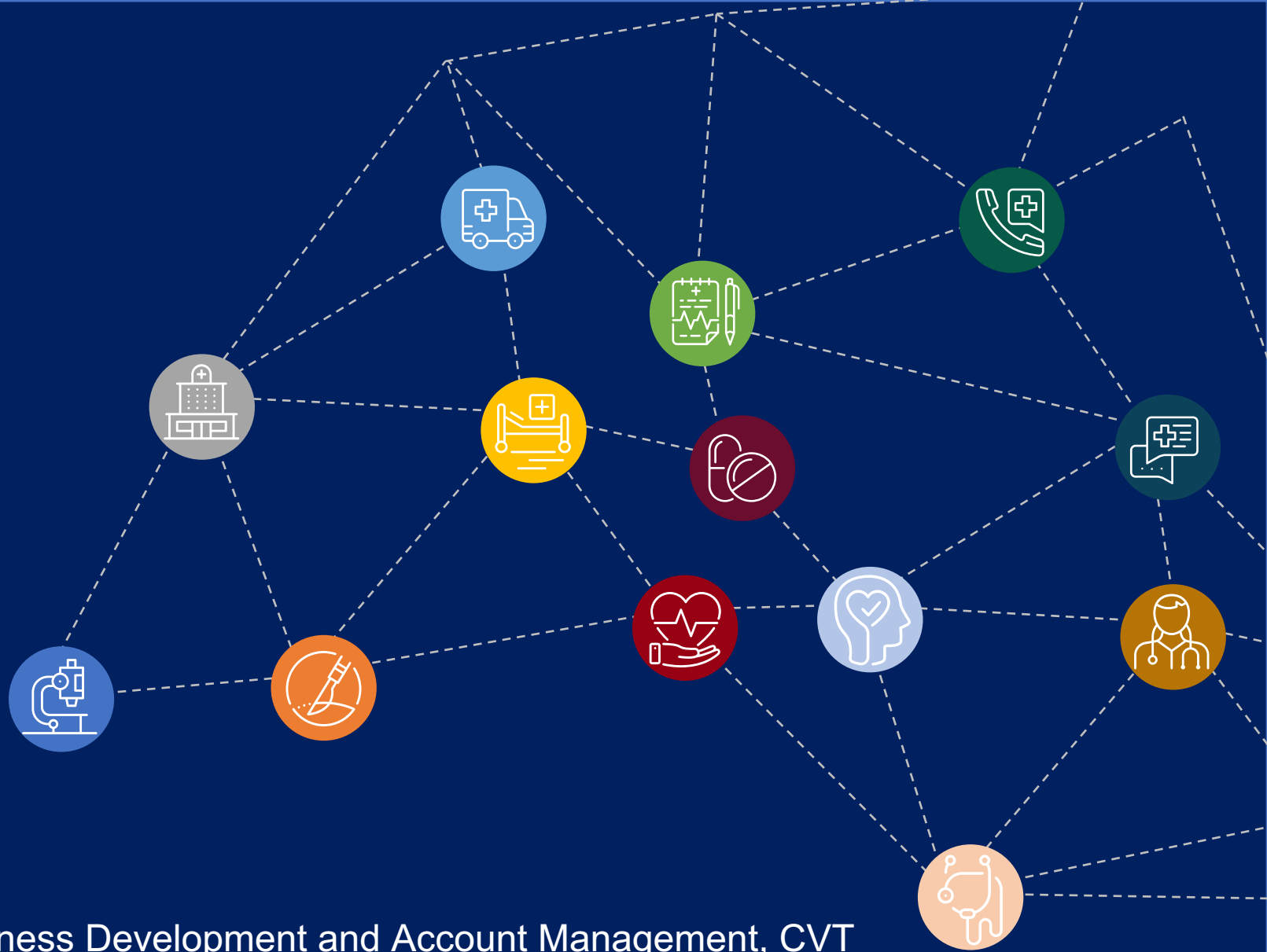


**CVT Retiree Seminar
Medicare 101
Madera Unified
School District
April 26, 2021**



Presented by:

Tierney O'Brien — Director of Business Development and Account Management, CVT

Desmond Quevedo — Retiree Solutions Manager, Kaiser Permanente



Madera Unified Human Resources Staff and Information

Staff

Kent Albertson, Chief Human Resources Officer

Vicki Mendoza, Human Resources Manager

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Medicare Form Information

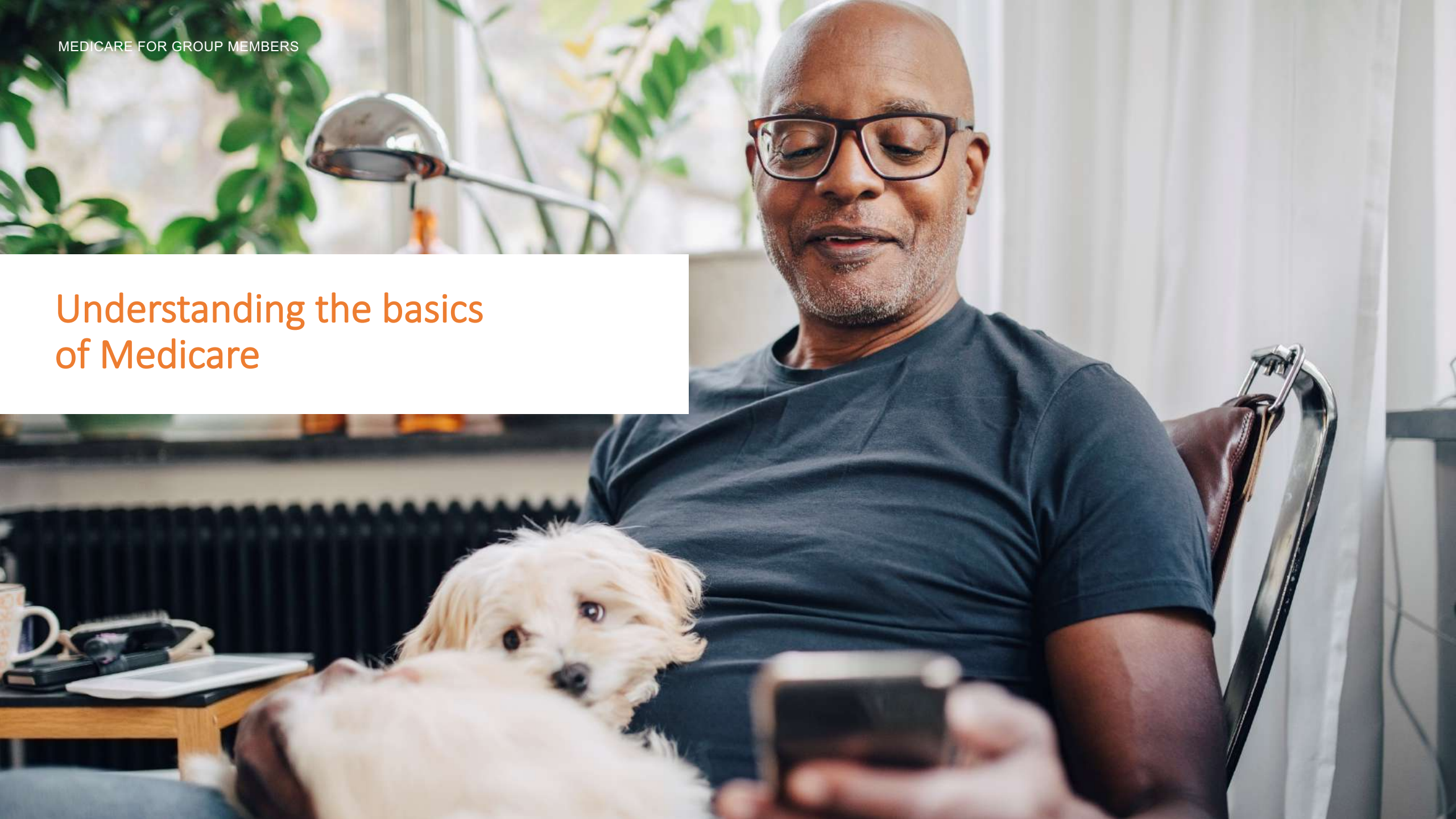
- To enroll in Medicare, complete Section A on page 2 [CMS-L564 -FORM FOR MEDICARE.pdf](#)
- After completion, forward the form to Mary Siegl
- Contact Mary Siegl with any questions you may have at (559) 675-4500 ext. 279 or email at marysiegl@madera.usd.org



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Medicare 101 Update Kaiser Permanente

Understanding the basics of Medicare



Who can join Medicare?

You're eligible to join Medicare if:



You're 65 or older



You have end-stage renal (kidney) disease (ESRD)



You're under 65, but live with a disability



You have amyotrophic lateral sclerosis (ALS)

- Must be eligible for Social Security disability
- Requires a 2-year waiting period



What is Medicare?

- Medicare is a federally funded health insurance program.
- Medicare was established in 1965.
- Medicare is administered by the Centers for Medicare & Medicaid Services (CMS).
- Medicare includes 4 parts:



PART A
Hospital Insurance



PART B
Medical Insurance



PART D
Prescription
Drug Coverage



PART C
(Medicare Advantage)
Includes Part A, B
and usually D

Original Medicare



Part A: Hospital Insurance

What it does:

- Gives you coverage for inpatient hospital care
- Also covers skilled nursing care, hospice care, and home health care

What it costs:

- Most won't have to pay a premium for Part A. To make sure you qualify for premium-free Part A, contact Social Security.
- If you worked less than 10 years, there is a monthly premium up to \$471*, your monthly premium is set by a Medicare formula.

* Amount is for 2021



Part B: Medical Insurance

What it does:

- Helps cover doctors' and other health care providers' services, like lab and radiology
- Outpatient care, durable medical equipment, dialysis, and some preventive care services are also covered

What it costs:

- Your monthly premium is usually deducted from your Social Security or retirement check.
- Late enrollment penalty (LEP):
 - Your premium increases 10% for each 12-month period that you decline coverage.
 - Not a one-time penalty, **but continues throughout enrollment.**
 - Not imposed if you continue to work for — and get your health coverage from — an employer or trust fund of 20 or more.
(You have up to 8 months after your employment ends to enroll.)



Part B: Medical Insurance

Based on your 2019 yearly income, your 2021 Part B monthly cost is:

File individual tax return	File joint tax return	In 2021, you each pay
\$88,000 or less	\$176,000 or less	\$148.50*
\$88,001 to \$111,000	\$176,001 to \$222,000	\$207.90
\$111,001 to \$138,000	\$222,001 to \$276,000	\$297.00
\$138,001 to \$165,000	\$276,001 to \$330,000	\$386.10
\$165,001 to \$500,000	\$330,001 to \$750,000	\$475.20
above \$500,001	above \$750,001	\$504.90

*You'll pay this standard amount if you: 1) enroll in Part B for the first time in 2021 2) don't get Social Security benefits; 3) are directly billed for your Part B premiums. See [medicare.gov](https://www.medicare.gov) for complete details.

Married Filing individual tax return	In 2021, you each pay
\$88,000 or less-Standard*	\$148.50*
\$88,000 – less than \$412,000	\$475.20
greater than or equal to \$412,000	\$504.90

*You'll pay this standard amount if you: 1) are filing separately from spouse 2) enroll in Part B for the first time in 2021 3) don't get Social Security benefits; 4) are directly billed for your Part B premiums. See [medicare.gov](https://www.medicare.gov) for complete details.

Note: The above dollar amounts may change yearly.



Part A & B: Enrolling in Medicare When First Eligible

Initial Enrollment Period

- If you're already getting benefits from Social Security, you'll be automatically enrolled in both Part A and Part B starting the first day of the month you turn 65.
- If you **do not** get benefits from Social Security, you'll need to contact Social Security.
- You can enroll over a 7-month period, which starts 3 months before your 65th birthday, known as the **Initial Enrollment Period**.
- You may be able to enroll online at **socialsecurity.gov**.



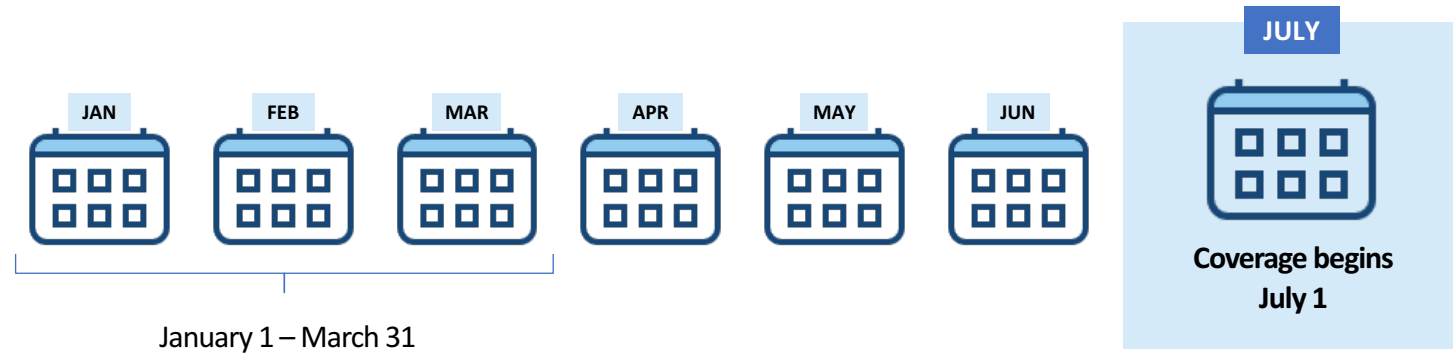
Note: Completing the application form and submitting it doesn't automatically enroll you in Medicare Part B. Social Security must first determine if you're eligible.



Part A & B: Late Enrollment Into Medicare

General Enrollment Period

- If you do not sign up for Part A and Part B when you're first eligible, you can sign up between January 1 and March 31 each year, for a **July 1 effective date**.



Special Enrollment Period

- Triggered by certain events, such as loss of employment or retirement, that allow you to enroll in Medicare or change plans.

Note: Completing the application form and submitting it doesn't automatically enroll you in Medicare Part B. Social Security must first determine if you're eligible.



Part D: Prescription Drug Coverage

What it does:

- Covers outpatient prescription drugs

To enroll:

You have 3 options for enrolling in Part D:

1. A Medicare Advantage plan that includes Part D prescription drug coverage
2. A stand-alone Prescription Drug Plan that offers prescription drug coverage only
3. Coverage through an employer or union

Unlike with Parts A and B, you **sign up for Part D directly** with your plan. Part D is not directly offered by Medicare or Social Security.



Part D: Prescription Drug Coverage

Medicare Part D Income Related Monthly Adjustment Amount (IRMAA)

The Part D higher-income premium is in addition to the annual Part B premium adjustment and is determined according to formulas set by federal law.

Based on your 2019 yearly income, your 2021 Part D monthly cost is:

File individual tax return	File joint tax return	In 2021, you pay monthly
\$88,000 or less	\$176,000 or less	No Part D IRMAA Premium
\$88,001 to \$111,000	\$176,001 to \$222,000	\$12.30
\$111,001 to \$138,000	\$222,001 to \$276,000	\$31.80
\$138,001 to \$165,000	\$276,001 to \$330,000	\$51.20
\$165,001 to \$500,000	\$330,001 to \$750,000	\$70.70
above \$500,001	above \$750,001	\$77.10

These amounts may change yearly.



Part C: Medicare Coverage Options

Here are some ways you can get Medicare coverage:

- You get an Original Medicare Plan through the Centers for Medicare & Medicaid Services (CMS).
 - You can supplement Original Medicare by enrolling in a MediGap Plan. Premiums for these plans are not covered.
(Note: Kaiser Permanente does not offer MediGap plans.)
- You can sign up for a Medicare Advantage Plan, known as Medicare Part C, through private insurance companies.
- In some parts of the country, you can sign up for Medicare Cost Plans, which are also offered through private insurance companies.



Part C: Medicare Advantage

What it does:

- Combines your benefits from Parts A, B, and sometimes D (prescription drug coverage) in a single plan and are an alternative to Original Medicare*
- Services under a network of providers that you must use for care

What it costs:

- Medicare pays an amount for your coverage each month to private health plans.
- Some plans have additional monthly premiums; in many plans, you pay a copay for covered services.
- If you choose an out-of-network provider, you'll be financially responsible, except in the case of an emergency or urgent care.

*Except care for some clinical research and hospice care (Original Medicare covers hospice care even if you're in a Medicare Advantage Plan).



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CVT Retiree Program Update



Things to Consider

Understand the current collective bargaining language as it relates to retirement benefits

- Coverage until 65?
- Set # of years eligible based on years of service?
- What will the employer/district contribute?

Supplemental, Secondary, Medicare Advantage plans

- There is a difference – Educate yourself and choose based on your needs



Retiree Options

District Paid Retirees –

Employer/District makes contribution

- Select from the same plans offered by the employer/chapter they retired from
- Annual open enrollment period to coincide with active employees

Self Paid Retirees –

Employer/District no longer makes contribution

- Administered and direct billed by CVT
- CVT Member Services support
- Will receive their own annual renewal packet and open enrollment period
- Madera Unified retirees have the option to continue dental and vision benefits



Who Qualifies as a Dependent

- **Spouse of Retiree** – A spouse of an enrolled retiree is eligible for coverage. Additional documentation is required.
- **Surviving Spouse of Retiree** – A surviving spouse of an enrolled retiree is eligible for coverage; however, the surviving spouse is not permitted to add a new spouse/domestic partner.
- **Domestic Partner** – A domestic partner of the same or opposite sex of an enrolled retiree may be eligible for coverage. Additional documentation is required.
- **Child** – A child of an enrolled retiree under 26 years of age*, is eligible for coverage. Additional documentation is required.

* Unless the dependent is disabled



District Paid Retiree Benefits

- To continue with CVT, participation must be continuous with no break in coverage
- If you choose not to enroll, you cannot enroll at a later date
- Coverage will begin when your district ends your active employee coverage
- If you or your spouse/domestic partner is over 65 you must be enrolled in both Medicare Part A and Part B to be eligible to participate in CVT district paid retiree plans.



Self Paid – Open Enrollment

- The month of September is CVT's annual open enrollment period to make any changes. Any changes made will be effective October 1st.
- During the month of September, a retiree may elect to change plans. An information packet is mailed each year with available plan options and premiums prior to the open enrollment month.
- Plan selection changes are only allowed during the annual open enrollment period, unless a retiree experiences a qualifying event and notifies CVT within 31 days of the event.



Self Paid Retiree Funding Process

- One month's premium plus a deposit of the same amount is due upon enrollment.
- The deposit is held in your account as a safeguard against cancellation for non-payment of premium.
- Deposits must always equal one month's total premium and is adjusted annually to correspond with current rates.
- Should you decide to leave the Trust in the future, the deposit is fully refundable or may be used as your last month's premium.
- CVT requires a minimum of 30 day advance written notice to terminate all or part of a retiree's coverage.



Self Paid Retiree – Plan Options

- 3 Preferred Provider Organization (PPO) Plans
- 1 High Deductible Health Plan (HDHP) for under age 65 retirees
- 1 Medicare Supplemental Plan
- 3 Medicare Advantage Plans through Kaiser Permanente
- 1 Medicare Advantage Plan through Anthem Blue Cross
- 3 Delta Dental Plan options
- 3 VSP Vision Plan options
- Employee Assistance Plan (EAP) is included with medical plans



CVT's Medicare Requirements

- For coverage under all the health plans, the retiree or spouse must be enrolled in Medicare Part A and Part B, if eligible.
- Kaiser Permanente requires the enrollment and participation in their Senior Advantage Plan if you and/or your spouse are Medicare eligible. Enrolling in Senior Advantage automatically enrolls you in Part D, prescription drug coverage. You may not enroll if you reside outside a Kaiser service area.
- For Anthem PPO Plans your Medicare Part D prescription drug plan is administered by SilverScript, a CVS/Caremark company. All CVT members with PPO medical plan and prescription drug benefits will be enrolled in SilverScript. Our SilverScript plan is considered credible coverage by Medicare.
- If you enroll in a different Medicare prescription drug plan you will lose your CVT medical and prescription drug coverage. You will not be able to re-enroll in CVT coverage if you enroll in another Medicare Part D plan.



Contact Information

- Social Security: 1-800-772-1213 (TTY 1-800-325-0778), Monday through Friday, 7 a.m. to 7 p.m.
<https://www.ssa.gov/>
- Medicare: 1-800-Medicare (1-800-633-4227) TTY 1-877-486-2048, 24 hours a day, 7 days a week.
<http://www.medicare.gov/>
- Madera Unified School District HR
 - Mary Siegl – MarySeigl@maderausd.org or (559) 675-4500 ext. 279
- CVT Member Services: (800) 288-9870 <http://www.cvtrust.org>
 - Charo Cruz – charoc@cvtrust.org or (800) 288-9870 ext. 114



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Thank You

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