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.

The purpose of this brochure is to help you:

- Understand how your RSUCCD medical benefits work with Medicare.
- Learn about the four different types of Medicare coverage that are available.
- Make informed choices about your participation in the various Medicare programs.

We know this information can be confusing, so it’s important to understand how your Medicare health care coverage works and what options are available to you. Even if you’re not eligible for Medicare yet, take a few moments to review this brochure and keep it handy.

**What You Need To Do... When You (or Your Spouse) Become Medicare-Eligible**

- Contact Medicare for enrollment in Part A (hospitalization) and possibly Part B (doctor’s office visits, lab tests, etc.)
- Once enrolled in Medicare Part A, notify your medical providers that you are now eligible for Medicare to avoid confusion and delays in processing claims.
- Enroll in Medicare Part B by contacting Medicare at 1-800-MEDICARE (1-800-633-4227).

**What You (or Your Spouse) Do NOT Need To Do...**

- You do not need to enroll in Medicare Part D (prescription drug coverage).
- You do not need to enroll in a Medicare Advantage (“Part C”) plan.

_Eloring in a Medicare Advantage plan or in Medicare Part D may cause confusion and delays in processing your medical or prescription drug claims._
Medicare Eligibility

You become eligible for federal Medicare benefits on the first day of the month in which you turn age 65 or if you become disabled. To ensure proper enrollment in Medicare Part A, we recommend that you contact Medicare directly approximately three months prior to eligibility or your 65th birthday.

Enrollment in Medicare Part B (benefits for doctors’ services, diagnostic services, durable medical equipment, etc.) will also be available at that time. Although not currently required by our medical carrier, Anthem Blue Cross (BC), it’s important that you fully understand your options pertaining to enrollment in Medicare Part B so that you can make a decision that best fits your personal circumstances.

Upon enrollment in Medicare Part B, you will be charged a monthly premium. If you don’t actively enroll when first eligible, you will pay a premium penalty if you and/or your eligible dependents do decide to enroll at a later date.

Medicare will be able to help you better understand the financial impact that delaying your enrollment in Medicare Part B may have on your situation. Remember, once you’ve finalized your elections, you will not be permitted to change your Medicare coverage levels until their next Open Enrollment period.

As part of your benefits offered through the District, you have prescription drug coverage that is comparable to the prescription drug benefits offered through Medicare Part D; therefore, you do not need to enroll in Medicare Part D. Please review this newsletter for more information on these plans.

How Medicare Coverage Works with District Benefits

Your District retiree medical benefits coordinate with Medicare once you become eligible. Here’s how:

- **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 BC 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(s) that your primary health care coverage is through Medicare. This means that Medicare pays for your medical care first. Notifying your provider(s) of this change will help ensure that your claims are submitted correctly and are processed in a timely manner.
About the Plans

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

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<thead>
<tr>
<th>Employee Insurance</th>
<th>Medicare Part A</th>
<th>Medicare Part B</th>
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<tbody>
<tr>
<td>What does it cover?</td>
<td>Inpatient care (hospitalization, skilled nursing, hospice)</td>
<td>General medical services (physician visits, diagnostic and lab, durable medical equipment), preventive care</td>
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<tr>
<td>What does it cost?</td>
<td>Free for those who are age 65 and older or those who are disabled</td>
<td>Monthly premium is subject to change each year, based on income</td>
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<tr>
<td>Do I need to enroll?</td>
<td>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.</td>
<td>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.</td>
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<tr>
<td>How does Medicare coordinate with my current benefits?</td>
<td>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</td>
<td>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</td>
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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.
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 option(s) 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 Medicaid. 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 copayment. 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 at 1-800-MEDICARE (1-800-633-4227) or visit: www.medicare.gov.