



# Your journey to Medicare

Insurance folio for retiring employees

**READY  
TO HELP**



Y0074\_G2I24TlktFolio\_M CMS Accepted 04292024

# Have you considered health coverage in your retirement plan?

As you near retirement and leave your employer's insurance plan, you might have questions about your future health care coverage, such as:

- [What are my options?](#)
- [What steps do I need to take to make sure my family members are covered?](#)
- [What if I'm not yet eligible for Medicare?](#)

Blue Cross Blue Shield of Michigan and Blue Care Network can answer your questions and support your needs as you make exciting life changes. We're ready to help, starting with this folio that simplifies the important information you need to be ready for what's ahead.

We've also created a call center for those transitioning from group coverage to individual Medicare coverage. Anytime you have questions about your Medicare options while reading through this folio, call us at **1-855-996-1788** from 8 a.m. to 9 p.m. Monday through Friday, with weekend hours Oct. 1 through March 31. TTY users, call **711**. Or contact your preferred Blue Cross independent agent.


You can also find tools to help you choose a plan or compare benefits at [BlueMedicare4Me.com/folio](https://www.BlueMedicare4Me.com/folio), a website created specifically for our Blue Cross members shifting into retirement.


Our goal is to put your health first as you transition from your current group coverage to an individual plan.



## Contents

What is Medicare .....	2
Quick guide to Medicare eligibility and enrollment.....	4
Why choose a Medicare Advantage plan.....	7
FAQs.....	9
How to get help.....	10

This icon:  means print and save.

This icon:  means remember this.



# What is Medicare?

[A federal program that provides individual health coverage](#)

You're eligible for Medicare if you have one of the qualifying factors:

Medicare is funded by beneficiary premiums, Social Security and Medicare taxes and the federal budget. You can enroll in this entitlement insurance program after working and paying taxes for a minimum period of time. We'll cover that in a bit.

There are many parts and coverage options, and not everyone will receive the same benefits. Out-of-pocket costs can vary, including deductibles and copayments.

Medicare isn't Medicaid; Medicaid is an income-based federal program.





# What is Medicare?

*(continued)*

## Explaining the four parts of Medicare

**Parts A and B** are called **Original Medicare**. They're offered and run by the federal government. Benefits cover hospital care, skilled nursing facilities, hospice, home health care, doctor visits, mental health care, outpatient surgery, lab tests and equipment such as wheelchairs and walkers.

**Part C** is called **Medicare Advantage**. These are plans you purchase from private health insurance companies, such as Blue Cross, that contract with the government. Medicare Advantage plans combine your Original Medicare benefits with extra coverage for all-in-one plans.

What's important to know is that Medicare Advantage **includes parts A, B and D (see below) and offers some extra benefits, such as vision and dental.**

NOTE: Each individual needs their own plan.



**Part D** covers **prescription drugs**.



Original Medicare  
Part A  
(Hospital)



Original Medicare  
Part B  
(Medical)



Vision/Dental/Hearing  
and other extra  
coverage



Part D  
(Prescription Drugs)

Medicare Advantage – Part C



## Quick guide to Medicare eligibility and enrollment

First things first. You're eligible for Medicare if any of these apply:

- You're 65 or older.
- You have a long-term disability and have been on Social Security for more than two years.
- You have end stage renal disease.
- You have Lou Gehrig's disease.

Once eligible for Medicare, you can choose what parts and coverage you want to enroll in.

**If retiring**, you'll want to explore Medicare Advantage, Medicare supplement and prescription drug plans if you will no longer have health care coverage through your employer group plan.

**If you're eligible for Medicare but not retiring**, talk with your employer about your options. Since you still have coverage through your employer group plan, signing up for certain parts of Medicare may not make sense and you may be able to delay enrollment in Original Medicare. However, some smaller companies require their employees who are eligible to enroll in Medicare.





## Quick guide to Medicare eligibility and enrollment

*(continued)*

Here are a few more things to keep in mind as you consider the best option for you:

- When you enroll in Medicare Part A, you can no longer contribute to a health savings account.
- There are penalties for late enrollment in Medicare Part D or a plan that has equivalent drug coverage. They don't apply, however, if you're still working and covered by a group health plan or if you qualify for Medicare Part A, which is free.
- If you choose to start working again after 65, you still qualify for Medicare. You'll want to explore coverage through your new employer, though.
- You may be able to stay on your spouse's insurance, depending on the employer's insurance policy.
- Your spouse or dependents can't be added to your Medicare coverage.

Remember, it's important to talk to your employer or a licensed agent about your options. Take time to make an informed decision about your future coverage.





# Medicare enrollment periods



A look at the different Medicare enrollment periods

	Who needs this	What to do	When to do it
<b>Initial enrollment period</b>	Individuals turning 65 within the next 12 months	Enroll in Original Medicare	3 months before turning 65 or three months after
<b>Special enrollment period</b>	Individuals previously covered by their employer health plan	Enroll in Medicare Part A or Part B	8 months from termination of employer coverage
<b>Annual enrollment period</b>	Individuals currently enrolled in an Original Medicare or a Medicare Advantage plan	Reevaluate coverage and make changes, if needed	Oct. 15 - Dec. 7
<b>Open enrollment period</b>	Individuals enrolled in a Medicare Advantage plan	Make one change to your Medicare Advantage plan once a year	Jan. 1 - March 31





## Now a look at your options for coverage

### More parts covered and some extras

As explained on Page 2, you have many choices for individual health care insurance as you get ready to transition out of your group plan.

**Primarily, you need to choose between Original Medicare** from the federal government (Medicare parts A and B) **or Medicare Advantage** (Medicare Part C) through a private health insurance company.

### The difference between Original Medicare and Medicare Advantage

Medicare Advantage essentially provides everything you get from Original Medicare (parts A and B) and usually includes Part D prescription drug coverage, as well as extra benefits such as vision and dental coverage.



Original Medicare requires you to pay 20% of the cost (or 20% coinsurance) for most medical services covered under Part B. However, with most Medicare Advantage plans, you pay a flat rate for a doctor visit, making costs more predictable and potentially less expensive.

Additionally, with Medicare Advantage plans, you have an out-of-pocket maximum. So, once you spend that maximum amount on health care each year, your Medicare Advantage plan pays 100% of your costs for the rest of the year. With Original Medicare, there's no maximum — or ceiling — so you continue to pay out of pocket for services.



## More advantages with Medicare Advantage

To add coverage to your Original Medicare plan, you have a choice between a Medicare Advantage plan or a Medicare supplement plan, also called Medigap. Medigap plans don't provide prescription drug coverage and most plans don't cover vision, hearing, long-term care or at-home care. But these plans may cover care while traveling or frequent emergency care.

Most Medicare Advantage plans are comprehensive plans that combine medical and prescription coverage — and some even offer additional dental, vision and fitness benefits, too. You have one ID card for all your coverage. Original Medicare requires you to supplement your basic coverage with extra services from a Medicare supplement plan, paying out of pocket. And with Original Medicare and Medicare supplement plans, you would need to purchase Part D for prescription drug coverage or face a penalty from the Centers for Medicare & Medicaid Services.

### Medicare Advantage

Usually includes Part D (Rx Drugs)



Part A  
(Hospital)    Part B  
(Medical)



Zero to lower  
premiums, but  
variable copays



Vision/Dental/  
Hearing (plus  
other extras)



Part D  
(Prescription drugs)

OR

#### Original Medicare

Only covers 80% of costs



Part A  
(Hospital)    Part B  
(Medical)



Higher premiums,  
but no copay



Rx drugs

### Which plan is right for me?

Take this quick quiz to find out.

Answer a few questions to narrow your choices.

Take the  
quiz now

Or scan here:





## FAQs

### 1. Are Medicare-eligible employees required to enroll in Medicare?

Everyone who turns 65 with enough work credit is automatically enrolled in Medicare Part A at no cost, covering hospital and inpatient care.

### 2. Does enrolling in Medicare affect Social Security retirement benefits?

No, Social Security retirement income and Medicare are different benefits altogether. However, if a person takes Social Security retirement benefits before reaching 65, then the Social Security Administration will assume this person wants to enroll in Medicare Part B when they turn 65 and enroll them automatically.

### 3. How long do I have to enroll in Medicare Part C (Medicare Advantage) or Part D (prescription drug plan) after leaving an employer group plan?

For Part D and even Part C, you have 63 days after the last month of employment or employee health coverage to enroll. If you don't enroll in a Part D drug plan within this enrollment window and later decide you want to, you'll pay a late enrollment penalty.

### 4. Does Medicare cover dental, vision and hearing?

Unfortunately, Original Medicare (parts A and B) doesn't cover routine dental, vision or hearing services. However, many Medicare Advantage (Part C) plans cover some or all these services as additional benefits.

### 5. If I miss the initial enrollment period for Medicare Part D, will I pay a penalty if I enroll later?

As long as you have had continuous employer group coverage (your own or your spouse's active employment) and can provide a form\* signed by the employer you've had since turning 65, you'll avoid penalties when applying for Medicare Part D past the initial enrollment period.

*\*This form can be obtained through a Social Security Administration office or online at [SSA.gov](https://www.ssa.gov).*

### 6. How long do I have to enroll in Medicare parts A and B after leaving an employer group plan?

For parts A and B, you have eight months after the last month of employment or employee health coverage to enroll.

*continued on next page*

**7. What happens to employee spouse health coverage when the spouse retires and goes on Medicare?**

Depending on the employer's plan rules, the retiring employee's spouse will often need to get their own individual coverage. In some cases, employers will offer COBRA, which are federal laws that can offer extended coverage for enrollees and family members after group coverage would normally end.

**8. For employees not eligible for Medicare, what are the options for health coverage?**

As our valued member, you have lots of help in this process. Health plan advisors are standing by to answer your questions and guide you: **1-844-737-6596**. TTY users, call **711**. To do a little research on your own, go to [bcbsm.com/myblue](https://bcbsm.com/myblue) and choose *Shop for Insurance*. Remember, we're here for you when you're ready to chat.

## How to get help

If you need to find out more about transitioning to individual Medicare as your retirement gets closer, you have numerous resources available to answer questions and help you get the most from your Medicare coverage.

### BE CONFIDENT IN YOUR JOURNEY TO MEDICARE.

We understand that Medicare can be confusing. That's why we've created a call center specifically to meet the needs of employees starting their journey to Medicare — people just like you. Get started by calling your dedicated Blue Cross Medicare health plan advisor at **1-855-996-1788** from 8 a.m. to 9 p.m., Monday through Friday, with weekend hours Oct. 1 through March 31. TTY users, call **711**. We can cover anything you need, from the basics of Medicare to more complex information and details on enrollment. We'll even outline all the Medicare plans available to you so you leave the call feeling informed. You can also contact your Blue Cross independent agent.



## Medicare Advantage

Medicare Advantage plans are comprehensive options, meaning when you choose a Medicare Advantage plan, you will get all your Original Medicare benefits plus extra coverage. You'll have one member ID card for this comprehensive plan.

Many Medicare Advantage plans include prescription drug coverage and coverage for dental, vision and hearing.

Since you're already a valued Blue Cross member, transitioning to a Blue Cross Medicare Advantage plan will be easy.



## Medicare Supplement plans

Also called Medigap plans, these plans fill the gaps in your Original Medicare coverage. Medicare supplement plans can pay for deductibles, copays and other benefits that Original Medicare doesn't cover. You'll need both your Medicare card and your Medigap ID card to get care.

Medicare supplement plans don't include coverage for prescriptions, dental, vision, hearing or any of the other care items you may find you need in retirement, that are usually included in most Medicare Advantage plans.



## Part D prescription drug plans

Prescription medication costs can really add up every month. Most Medicare Advantage plans include prescription drug coverage, but some don't, so be sure to check different policies and speak to an advisor to be sure.

Remember, if you choose to enroll in Original Medicare and a Medicare supplement you'll need to buy a separate Part D prescription drug plan. You won't have coverage for extra benefits, such as dental, vision and hearing.



## Extras to consider

Most people approaching retirement age find they need extra care as time goes on.

Certain things we take for granted over the years aren't automatically covered in retirement.

**Here's a list of common services you may find you need. Check if the policy you choose includes these:**

### **Dental**

You'll want to stay on top of your dental health. Paying for it out of pocket can get costly.

### **Vision**

Even if you have great vision now, it's important to have routine eye exams as you age because early detection of disease can help treat it.

### **Hearing**

You may decide hearing coverage is optional for you. But if hearing loss runs in your family or you're already struggling with it, be sure you choose a plan that has this coverage.

### **Over-the-counter items**

More Medicare Advantage plans are giving a quarterly stipend toward over-the-counter items such as vitamin supplements, cold and cough medicine, and other health-related items.

### **Gym membership**

Maybe you already belong to a gym or would like to stay fit in retirement. You can save money by choosing a plan that covers this cost.





# Notes



Thanks for letting us help you  
on your Medicare journey.



Blue Cross  
Blue Shield  
Blue Care Network  
of Michigan

Nonprofit corporations and independent licensees  
of the Blue Cross and Blue Shield Association