

# Making the Transition

*A Guide for Pre-Medicare Retiree  
and Retiree Members*



## You're Reaching a New Phase of Life

You are retiring but not yet 65 years of age. Or you are about to turn 65 and continuing to work. Or you are about to turn 65 and retire or have already done so. Or you are past 65, working, but getting ready to retire.

**No matter your status, it is important for you to understand your ongoing relationship to SWSCHP to be your own best advocate for the health care of you and your family.**





# Good News!

Not much changes, and you don't have to take action.\*

- You are now what SWSCHP refers to as *'pre-Medicare.'*
- Your healthcare benefits are still provided through BCBS/AEBA/CVS as long as you are not Medicare Primary.

I'm retiring, but I have not reached 65.

*What happens next with my health care?*

**As you approach 65, you will have to take action. Please read on to learn what to do as you approach this milestone.**

*\* Other than to inform your school district benefit representative that you are retiring and if you have any dependents that are disabled and/or 65 years or older and have Medicare. Note that your local district bargaining agreement may stipulate certain premium contribution differences for pre-age 65 retirees.*



# Good News!

Nothing changes.

I'm about to turn 65 but I've decided to continue to work.

*What happens next with my health care?*

- You continue to be what SWSCHP refers to as an *'active member.'*
- Your healthcare benefits are still provided through Anthem/AEBA/CVS.
- As long as you continue to work, you do NOT need to enroll in Medicare.

**Several months before you retire, you will have to take action. Please read on to learn what to do as you approach this milestone.**



# Good News on Your Retirement!

But you have to take ACTION.

I'm about to turn 65 and I retired 4 years ago.

*What happens next with my health care?*



I'm about to turn 68 and I will retire next year.

*What happens next with my health care?*

- You will be what SWSCHP refers to as a '*Medicare retiree.*' Medicare retiree healthcare benefits are provided through the SWSCHP/Aetna Medicare Advantage Plan. Prescription benefits are provided through CVS/Silverscript Part D Drug Plan.

- You must enroll in Medicare at least 3 months before you turn 65, or, if you are past 65 and still working, well before you formally retire from your job.

*If not, you may be subject to financial penalties in your Medicare benefit.*

**Please read on to learn what to do as you approach these milestones.**





Once you reach age 65, are past 65 and will soon retire, or are disabled and eligible for Medicare, you must enroll in Medicare.

*Let's take a closer look at the program.*

# What is Medicare?

Medicare is a federal health insurance program for people age 65 and older, some people with disabilities under age 65 and people with end-stage renal disease or amyotrophic lateral sclerosis (ALS).

There are 4 parts to Medicare:

Part A – hospital insurance

Part B – medical coverage

Part C – hospital, medical, prescription drug, known as ADVANTAGE plans

Part D – prescription drug

**SWSCHP members receive their Medicare benefits through the SWSCHP/Aetna Medicare Advantage Plan, and their prescription drug benefits through Silverscript Medicare Part D Plan.**



**To learn more about the SWSCHP Retiree health programs from Aetna and CVS, visit <http://www.swschp.org/> and navigate to the Retiree Member page under the For Members tab.**

Medicare premiums for health benefits (Part B) and prescription drugs (Part D) are typically deducted directly from monthly Social Security checks. If you are not collecting Social Security, Medicare will bill you. Your actual net cost is dependent upon your district's collective bargaining agreements with its employees, and thus you should talk to your school district benefit representative. Members may have to pay additional premium contributions directly to the school district.



# When to Enroll.

- There is a 7-month initial enrollment period. It begins 3 months before you turn 65, the month of your birthday, and the three months following.
- For coverage to be effective the month you turn age 65, you must sign up during the first three months of the initial enrollment period. If you wait to sign up during the last four months of the period, your effective date of Medicare will be delayed.
- For example, if your birthday is in April, you will need to sign up for Medicare in January through March to avoid a delay in coverage. For best results, start the process in January — three months before your 65th birthday.
- If you are over the age of 65 and still working, start three months prior to retiring.

## When to Enroll if You Are Over 65, Still Working and Preparing to Retire

If you delay enrollment at age 65 because you or your spouse is still working and covered by an employer-sponsored group health plan, you can enroll in Medicare during a special enrollment period. Special enrollment allows you to enroll without paying a late enrollment penalty during either the following time frames: 1) at any time while you have employer-sponsored health coverage (your own or through your spouse); or 2) during the eight-month period that begins the month the employer-sponsored health coverage ends, or the month employment ends (whichever comes first). If you do not enroll by the end of the eighth month, general enrollment guidelines apply.

# Very Important! Avoid the Lifetime Penalty

If you miss the initial enrollment period, you can enroll during the general enrollment period that begins January 1 through March 31 each year. However, when enrolling during the general enrollment period after your initial enrollment period has passed, Medicare coverage will not become effective until July 1 and a lifetime Medicare late enrollment penalty could apply.

If you are unsure about enrollment, contact your district's benefit representative as soon as possible.

# How to Enroll

To enroll in Medicare, visit your local Social Security Administration office or call Social Security toll free at **1-800-772-1213**. You may also be able to also enroll online at [www.ssa.gov](http://www.ssa.gov).