# STATE HEALTH BENEFIT PLAN
# RETIREE POLICY

## TO RETIRE AND CONTINUE YOUR HEALTH INSURANCE:

- You must have continuous coverage from active to retiree status for you and your dependent
- Your coverage will roll over if you will be participating in the ERS, TRS or PSERS retirement systems. If you are covered by another retirement plan, you will need to complete the Retiree/Surviving Spouse Form and submit to SHBP. This form is available at www.dch.georgia.gov/shbp.

## SHBP MEDICARE POLICY

**General Accounting Standards Board (GASB) Rules** require that public entities account for the cost of their Other Post-Employment Benefits (OPEB), which includes retiree health care coverage. The last Georgia OPEB valuation is $16.4 billion in unfunded liability for retiree health care. In order to maintain a fiscally sound status and avoid adverse impact to the State bond ratings, SHBP has implemented strategies that reduce this liability.

All retirees and spouses eligible for Medicare because of age or disability will need to enroll in one of two Medicare Advantage with Prescription Drugs (MAPD) Private Fee for Service (PFFS) options offered through CIGNA and UnitedHealthcare (UHC). Retirees enrolling in these plans will continue to receive the state contribution to the cost of premiums. We will refer to these options as the MA options. To enroll in an MA option, you must at least have Medicare Part B coverage.

**General Medicare Information.** When you are retired and become eligible for Medicare because of reaching age 65 or disability, you should enroll in Medicare. Medicare is the federal insurance and includes Parts A - hospitalization, B - provider services and D - prescription drugs. It is important that you purchase Part B coverage, even if you are not automatically entitled to Medicare Part A because you or your spouse have not paid Medicare taxes for the appropriate number of work quarters. Part B coverage can be purchased when you become eligible for Medicare if you have resided in the United States for a minimum of five years. If you are not automatically entitled to Medicare Part A under your own work record, you may be eligible under a spouse or former spouse. You should contact the Social Security Administration if you are not sure.

## ALL RETIREES

- Can only add dependents if you experience a qualifying event and make the request to add the dependent within 31 days of the event
- Can change to single coverage at any time
- Surcharges do not apply
- Can discontinue SHBP coverage at any time (but cannot re-enroll unless you return to work in a benefits eligible position)
- You can change options when you become covered by Medicare

## RETIREES and/or DEPENDENTS WITH NO MEDICARE

- SHBP will pay primary benefits until you or your dependent(s) become eligible for Medicare
- Premiums are very similar to those of active employees, but will change when any covered eligible dependent becomes eligible for Medicare

**RETIREES and/or THEIR DEPENDENTS WITH MEDICARE (because of reaching age 65 or being disabled)**

- Premiums change and Medicare rules apply
- Medicare: Part A – hospitalization, Part B – provider services, Part D – prescription drug coverage
- You can apply for Medicare coverage 3 months prior to turning age 65. This begins the 7 month Initial Enrollment Period
- Medicare enrollment is automatic if you are already receiving Social Security benefits
- If you are not already receiving benefits you can enroll in both Parts A and B when you apply for Social Security benefits. You can enroll by a.) calling the toll free number for Social Security (1-800-772-1213) b.) using the Social Security Web site at www.socialsecurity.gov or c.) by visiting your local Social Security Administration (SSA) office
- You must send SHBP a copy of your Medicare card the 1st of the month prior to the month in which you or your spouse turn 65 in order to pay the correct premiums
- SHBP is unable to refund premiums for untimely submission of Medicare information
- Anyone can purchase Medicare Part B (if you have lived at least 5 years in the U.S.)
- You will pay a monthly fee for Medicare Part B coverage – cost approx. $110
- SHBP Options include the Medicare Advantage (MA) Options – these options are customized for SHBP retirees who have a minimum of Medicare Part B coverage
- SHBP will automatically request that CMS approve enrollment in the SHBP MA Standard Plan under your current vendor for the eligible retiree and /or dependent(s) with Medicare coverage (must have at minimum Part B) if SHBP has the Medicare information on file. Non Medicare eligible dependents will remain in the non MA option
- If you do not want the SHBP MA Standard Plan you will need to call the SHBP Call Center at (404) 656-6322 or (800) 610-1863 within 31 days

**SHBP MEDICARE ADVANTAGE OPTIONS**

- In order to receive the state contribution toward the cost of your health insurance, you **must** be enrolled in one of the SHBP MA Plans: Standard and Premium Plans
- These are Medicare approved plans and include prescription drug coverage
- Once enrolled in one of the SHBP MA Plans if you enroll in a separate Part D Plan (prescription drug plan) where you are paying a premium for this coverage only or another MA plan, you will lose your SHBP coverage permanently
- You may elect coverage in SHBP's HRA, HDHP, OAP or HMO options but you **will not** receive the state contribution toward the cost of your health insurance. If you enroll in one of these plans, to pay the lowest premium, you will also need to enroll in a Medicare Part D Plan as soon as you are eligible

**IF YOU CONTINUE TO WORK PAST AGE 65**

- As long as you are actively working SHBP will be primary on you and your covered dependents regardless of age
- You do not need to enroll in Medicare Part B until you retire. Two months prior to retirement you can enroll in Medicare Part B, either by calling the toll free number above or going to your local Social Security office. You will need to request a form L-564 (the Late Enrollment Penalty (LEP) Waiver for working past age 65) by calling or going to the local SSA office. This form is not available online