

A GUIDE FOR HR & BENEFIT MANAGERS

WHAT YOU NEED TO KNOW TO ASSIST YOUR MEDICARE-ELIGIBLE EMPLOYEES

Human Resource professionals have enough to manage without worrying about the details of Medicare. Every HR Manager can benefit from working with a dedicated Medicare advisor. Let Life Resources Group assist your employees with the correct guidance on when to enroll, how to enroll, and their insurance options. We have a group of insurance professionals who specialize in health and life products with a dedicated team of advisors specializing in Medicare. We have licensed and certified professionals in all 50 states and there is never a cost for our assistance. A dedicated Medicare advisor takes the burden off of you and your HR staff and helps your employees get the answers they need.

How a Medicare Specialist Adds Value to HR & Employees

Value to Employers and HR Staff:

- Saves time and trouble by relieving HR staff of the responsibility of explaining Medicare and researching for answers to employee questions.
- Saves money for the company as older employees and retirees move off the group plan to an appropriate individual plan.
- Provides a value-added service at *no cost* to the company or the employee.

Value to Employees and Retirees:

- Boost confidence by having a licensed professional help navigate the Medicare enrollment process and options.
- Provides convenience by offering worksite access to information and support, as well as support for spouses and other family members.
- No cost webinars and seminars to educate your employees and retirees.
- Personal one-on-one telephonic or in-home consultations in choosing the right insurance plan based on their individual needs and preferences.
- Provides ongoing support with annual plan reviews and mailed notices of change.

The HR Support You Need for Your Employees

We are available to host a seminar, webinar, or handle questions your employees and retirees may have. In addition, we can help them select an insurance plan that will suit their needs.

The following pages provide you with the most frequently asked questions your employees and retirees will ask.

Frequently Asked Questions Your Employees or Retirees Will Ask

When is the Enrollment Period?

For individuals turning 65, your Initial Enrollment Period (IEP) begins three months prior to your 65th birthday and ends three months after your 65th birthday. If you are not collecting Social Security benefits, you will not be automatically enrolled in Medicare A & B. If you are actively employed and want to continue on your group insurance plan, you can delay enrollment into Medicare. However, you want to be sure that your group insurance, including the prescription coverage is “creditable” to Medicare. Creditable means “as good as.”

For those employees that are beyond the age of 65 and leaving their employer group insurance, there is one additional step. A signed employer form (L564E) is required to avoid a late enrollment penalty. The HR Manager needs to sign the form with a wet signature, not an electronic signature. This form can then be scanned to a pdf and uploaded online during the enrollment process.

When an individual is employed, on their group insurance, and Medicare-eligible, they can sign up for Medicare Parts A and B at any time. They do not need to wait for their group insurance contract to end. It's highly recommended that you sign up for Medicare a minimum of two months prior to when you want your coverage to begin, but no longer than 3 months prior. Once you have your Medicare card, you can then shop

Am I Required to Sign Up for Medicare?

Whether you need to sign up for Medicare depends on **three important factors**:

1. How you get your health insurance now;
2. The number of employees that are in the company where you (or your spouse) work* and;
3. Is your group insurance “creditable.”

*To clarify, ‘work’ means active employment, not retired.

If you (or your spouse) work for an employer or company with 20 or more employees and are enrolled in their group health insurance plan, you can delay Medicare enrollment without penalty if the coverage is creditable.

If you (or your spouse) work for an employer or company with less than 20 employees, typically, you will need to sign up for Medicare when you turn 65 to avoid penalties.

Do I Need to Sign Up for Part A Even Though I'm Still Working?

If you are still working, you can sign up for Medicare Part A even if you have employer-provided health insurance, as most people are eligible for premium-free Part A due to their previous payroll taxes; however, you are not required to do so. If you are contributing to a Health Savings Account (HSA), you don't want to sign up for Part A (see next section).

How is My HSA Affected?

If you contribute to a Health Savings Account (HSA), you should not enroll in Part A. You cannot contribute to an HSA and also be enrolled in Medicare. If you do, you may be subject to tax penalties. Contributions to a Health Savings Account should be stopped 6 months prior to your Medicare effective date.

The funds in your HSA are yours to keep and use for health related expenses which includes some health insurance premiums.

Can I Stay with my Employer's Individual Coverage Health Reimbursement Arrangement (ICHRA)?

ICHRA is considered an alternative to group insurance, but an ICHRA is not an insurance policy.

If you (or your spouse) get a stipend from your employer to buy your own health insurance. **OR** you (or your spouse) are still working, but don't have health insurance through that job:

- That isn't considered 'creditable coverage' and you need to enroll in Medicare.
- If you become Medicare eligible but you didn't enroll in Medicare and went without insurance, the only time of the year to enroll in Medicare is January 1 through March 31. You may incur late enrollment penalties for Part B and D. These are permanent life-time penalties.

What if I'm on COBRA?

- Sign up for Medicare when you turn 65 to avoid gaps in coverage and a monthly Part B late enrollment penalty.
- Medicare pays first, once you turn 65, so if you do not enroll in Medicare while on COBRA, they may not pay your claims since you are now Medicare-eligible.

What are the Enrollment Periods to Sign Up for a Medicare Insurance Plan?

Original Medicare has deductibles and co-insurance so most people decide to enroll in either a Medicare Supplement (MediGap) Plan or a Medicare Advantage Plan to help cover the cost. When you first are eligible for Medicare, you have an open enrollment period to purchase any insurance plan you want without health questions. Beyond your initial enrollment period, you may be subject to full underwriting and could be denied coverage into a Medigap plan. Medicare Advantage Plans have no health questions but there are certain enrollment periods that you need to adhere to. If you move or leave your employer group insurance, be sure that you don't go without insurance for more than 63 days.

Once you have enrolled in either a Medicare Advantage Plan or Prescription Drug Plan, there are annual enrollment periods that allow you to make a plan change. The annual enrollment period to change either a Medicare Advantage Plan or Prescription Drug Plan is from October 15 to December 7 for a January 1 effective date. Advantage Plan members can also make a one-time change during the open enrollment period which runs from January 1 through March 31 annually.

What insurance you choose will depend on many factors like which doctors you see, prescriptions, premiums, benefits, where you live, and travel considerations. We are here to guide you through the process of enrolling in Medicare and choosing the insurance plan to suit your needs. You must be enrolled in Medicare Parts A and B to purchase either a Medigap Plan or Advantage Plan.

How can I get more information?

Visit our Medicare page on our website or use the Contact Us page to drop us a line. Someone will either email or call you in a timely manner, whichever you prefer.

Medicare page: <http://www.liferesourcesgroup.com/medicare.html>

Contact Us: <http://www.liferesourcesgroup.com/contact-us.html>

Or directly email us at: liferesourcesgroup@gmail.com