

What you and your employees need to know

When to apply for Medicare

Employees can apply for Medicare Part A¹ and Part B² when they turn 65, become disabled, or develop end-stage renal disease (ESRD). Certain qualifications apply for employees; their domestic partner, spouse, or former spouse (when court ordered); and disabled dependents. In some cases, Part B can be waived or deferred. Read below for details.

Reaching Retirement Age 65

- + **Retired employees** (who have worked enough qualifying hours) must apply for Medicare Parts A and B. Part B cannot be waived even if the retiree goes to work for a new employer.
- + **Domestic partners** must apply for both Part A and B when turning 65. Medicare will always be the primary insurance provider for domestic partners when Medicare entitlement is due to age.
- + **Active employees** should obtain Part A only and defer Part B until they retire.

Disability

- + **Retired employees** under age 65 can receive Medicare Parts A and B after 24 months of disability entitlement. Part B cannot be waived.
- + **Spouses, domestic partners, and handicapped dependents** of:
 - » Active employees (under age 65) become entitled to Medicare and should accept Part A and defer Part B until they retire; there is no penalty for the deferral.
 - » Retired employees (under age 65) must accept Part A and Part B when offered after 24 months of eligibility and may not waive Part B.
- + **Surviving spouses** (under age 65) of deceased employees who receive Medicare for disability must accept Part A and Part B when offered after 24 months of eligibility. Part B cannot be waived.

End-Stage Renal Disease

- + Medicare eligibility for employees with ESRD begins with a three-month waiting period that starts with the first date of dialysis. During this time frame, employees may apply for Medicare but Blue Cross Blue Shield of Massachusetts provides primary coverage for services.
- + The waiting period can be waived if the patient does home training or has a transplant with no dialysis.
- + Employees can obtain Part A during the waiting period and defer Part B until Medicare provides the primary coverage. They can also defer both until Medicare becomes the primary payer.

End-Stage Renal Disease (continued)

- + After the waiting period, a 30-month coordination period begins. Blue Cross remains the primary insurer. Once both periods have been met, Medicare provides coverage for all services.

For example:

- » **January 20, 2013:** First day of dialysis
- » **January 1, 2013, through March 31, 2013:** Waiting period
- » **April 1, 2013, through September 30, 2015:** Coordination period
- » **October 1, 2015:** Medicare becomes the employee's primary insurance provider. However, if the employee has a transplant and goes 36 months without dialysis, Medicare would deem this a successful transplant and terminate the employee's eligibility.

Special and Alternative Situations

- + Retired employees who have less than ten years of experience and have no spouse or former spouse (married for ten years or more) are not entitled to receive Medicare through employment history since they did not pay into the Social Security system.
- + Retired employees with less than ten years of experience but have a spouse or former spouse (married for ten years or more) with ten years of experience should check with Social Security to see if or when they could "piggyback" on their spouse's experience. If eligible, the retiree cannot waive Part B.

Important Information

- + When applying for Social Security, retirees must give all necessary information, including being in a current or former marriage. This could enable otherwise ineligible retirees who don't have entitlement through their own employment history to receive Medicare benefits.
- + Retirees can apply online at www.medicare.gov.
- + Retirees who worked for the railroad prior to the municipality or are the spouse (or surviving spouse) of a railroad employee may qualify for Medicare through the Railroad Retirement System.³
- + Employment status determines who an employee's primary insurance carrier is. Blue Cross is primary for active employees. Medicare is primary for retired employees or employees with domestic partners age 65.
- + Accounts should provide their retirees' exact retirement date to Blue Cross so we can identify employees who are on workers' compensation or have any other unusual circumstances.
- + Employees can contact Medicare at **1-800-MEDICARE**.
- + Members can contact Blue Cross at the number on the front of their identification card.

If you have any questions, please contact your account executive.

1. Medicare Part A (Hospital Insurance) helps cover inpatient care in hospitals, including critical-access hospitals and skilled nursing facilities (not custodial or long-term care).
2. Medicare Part B (Medical Insurance) helps cover doctors' services and outpatient care. It also covers some medical services that Part A doesn't cover, such as some of the services of physical and occupational therapists, and some home health care.
3. This is identified by a letter prefix on a Social Security number (e.g., A123-45-6789).