



You and Medicare



Agenda

- ❖ **Medical Plan Eligibility**
- ❖ **Medicare Requirements**
- ❖ **Senior Medical Plan Options**



A Note for Active Members

- You're ahead of the game! This presentation is designed for Retired Members approaching Medicare age
- Members who are still working for the City of Los Angeles **do not** have to apply for Medicare until they retire
- Active health benefits are provided by Employees Benefits
- Please be sure to contact LACERS if you are Medicare age at the time of retirement

A stethoscope is positioned diagonally across the right side of the frame, resting on a white surface. The chest piece is in the foreground, and the earpieces extend towards the top right. A solid teal vertical bar is located on the left side of the image. The text 'LACERS Medical Plan Eligibility' is centered in the middle of the image, overlaid on a semi-transparent white rectangular background.

LACERS Medical Plan Eligibility



Medical Plan Eligibility

To be eligible to enroll in LACERS-sponsored medical plan, you **must**:

- Be a City Retiree or an Eligible Surviving Spouse/Domestic Partner (Survivor); **and**
- Receive a monthly retirement allowance or continuance from LACERS.

The background of the slide features a blurred image of a hand holding a pen, poised to write on a document. A line graph with a teal shaded area is visible in the upper portion of the background. A solid teal vertical bar is positioned on the left side of the slide.

LACERS Medicare Requirements



Medicare Requirements

According to LACERS Board Rules, when you or any dependent(s) turn age 65, you are required to:

- Enroll in Medicare Part B and maintain coverage.
- Enroll in Medicare Part A only if you are entitled to it premium-free (i.e., at no cost).

What is Part A ?

A

(Hospital Insurance) Part A **covers inpatient hospital stays, care in a skilled nursing facility, hospice care, and some home health care.**

You may receive premium-free Medicare Part A:

- Based on your contributions history with Social Security and Federal Insurance Contributions Act (FICA)
- If you started with the City after April 1, 1986 by paying FICA Medicare payroll taxes
- Through your spouse when they reach age 62 if they are eligible for Medicare Part A premium-free

Medicare Part A Premium-Free (Spouse)

- Medicare Part A and Part B linked to Spouse's Social Security Number



B

What is Part B?

- Medicare Part B **helps cover medical services like doctors' services, outpatient care, and other medical services that Part A doesn't cover.**
- If you don't sign up for Part B when you're first eligible, you may have to pay a [late enrollment penalty](#).

How much does Part B Cost ?

If your yearly income in 2020 (for what you pay in 2022) was			You pay each month (in 2022)
File individual tax return	File joint tax return	File married & separate tax return	
\$91,000 or less	\$182,000 or less	\$91,000 or less	\$170.10
above \$91,000 up to \$114,000	above \$182,000 up to \$228,000	Not applicable	\$238.10
above \$114,000 up to \$142,000	above \$228,000 up to \$284,000	Not applicable	\$340.20
above \$142,000 up to \$170,000	above \$284,000 up to \$340,000	Not applicable	\$442.30
above \$170,000 and less than \$500,000	above \$340,000 and less than \$750,000	above \$91,000 and less than \$409,000	\$544.30
\$500,000 or above	\$750,000 or above	\$409,000 or above	\$578.30

2022 Medicare Part B Premium

- The monthly basic premium rate for Medicare Part B is \$170.10
- You may be billed Quarterly or receive a monthly deduction from your SSA benefit (if you have one)

SAMPLE

CMS-500 (09/11)
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS)

NOTICE OF MEDICARE PREMIUM PAYMENT DUE

BILLING NOTICE DATE: _____
YOUR CLAIM NUMBER: _____ <Type Address Here.>

Use Visa/MasterCard/American Express/Discover or make check/money order payable to "CMS Medicare Insurance." Send payment with the bottom portion of this notice in the enclosed envelope to:

Medicare Premium Collection Center
P.O. Box 790355
St. Louis, MO 63179-0355

	Hospital Insurance Part A	Medical Insurance Part B	IRMAA Part D	=	Total Amount
Current amount due for Part A and/or Part B	\$	\$			\$
Past due amount for Part A and/or Part B	\$	\$			\$
Current amount due for IRMAA Part D			\$		\$
Past due amount for IRMAA Part D			\$		\$

Part A: TERMINATION DATE: _____
Part B: TERMINATION DATE: _____

TOTAL AMOUNT DUE: \$ _____
PAYMENT DUE BY: _____

Last payment received: _____ on _____.

To ensure timely processing, payments must be received by _____. Any payments received after this date will be included in your next notice.

SEE OTHER SIDE FOR IMPORTANT INFORMATION

Please tear at dotted line and return bottom portion with payment

<Type Address Here.>

If your name or address has changed or is incorrect, check here and complete the back of this notice.
 If the person is deceased, check here.

CLAIM NUMBER: _____
Show claim number on check or money order.
AMOUNT DUE: \$ _____ DUE BY: _____

AMOUNT PAID: \$ _____

VISA/MASTERCARD/AMERICAN EXPRESS/DISCOVER NUMBER:
_____-_____-_____-_____
EXP. DATE: ____-____-_____
SIGNATURE: _____

Make check/money order payable to: CMS MEDICARE INSURANCE
DO NOT SEND CASH OR STAMPS
SEND PAYMENT TO:
MEDICARE PREMIUM COLLECTION CENTER
P.O. BOX 790355
ST. LOUIS, MO 63179-0355



Medicare Easy Pay Payment

What is Medicare Easy Pay?

- Medicare Easy Pay is a payment option for your Medicare Part B & D premiums.
- Monthly automatic electronic deductions from your savings/checking account;
- Assists you in making Medicare premium payments on time and regularly.
- A FREE service.

Note: If you receive a Social Security check and your Medicare Part B premium is deducted from it, then you do not need to participate in Medicare Easy Pay.



Ways to Pay Your Medicare Premium(s)

You are responsible for paying your Medicare premium(s) to Medicare directly.

- Medicare will bill you directly on a quarterly basis.
- If you receive a Social Security check, the premium(s) will be deducted from it on a monthly basis.
- LACERS **DOES NOT** process your Medicare payments.
- LACERS **CAN NOT** directly pay your Medicare premium from your LACERS' monthly allowance.



Medicare Part B Reimbursement

LACERS will reimburse your Medicare Part B basic premium if you are:

- A City Retiree*;
- Enrolled in Medicare Parts A and B;
- Eligible for a medical subsidy; and
- Enrolled in a senior medical plan or participating in the Medical Premium Reimbursement Program (MPRP).

*Dependents, Spouses, Domestic Partners. Survivors are not reimbursed.



When to Enroll in Medicare

It is recommended that you enroll in Medicare:

- three months before turning age 65,
- and no later than three months after the month you turn 65.

The effective date of your Medicare will be determined based on the month you applied for Medicare.

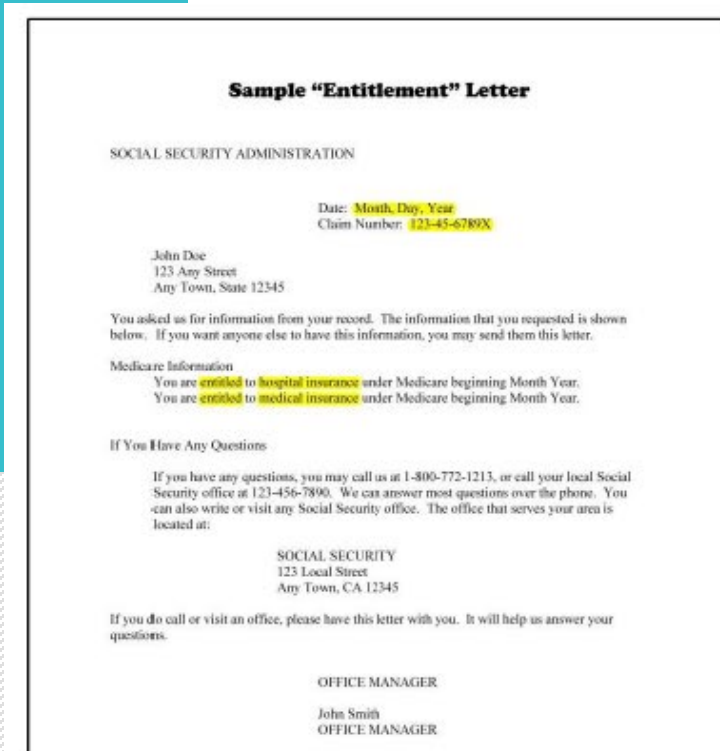
When to Enroll in Medicare (Continued..)

A	B	C	D	E	F	G
Three months prior to your birth month	Two months prior to your birth month	One month prior to your birth month	Birth month	One month after your birth month	Two months after your birth month	Three months after your birth month

- A - C: Medicare effective **first** day of your birth month
- D: Medicare effective **one** month after your birth month
- E: Medicare effective **three** months after your birth month
- F: Medicare effective **five** months after your birth month
- G: Medicare effective **six** months after your birth month

Acceptable Proof of Medicare

- Social Security Entitlement Letter; or
- Social Security Benefit Verification Letter.



PROOF OF MEDICARE

- Medicare Card (Copy)
- Social Security Entitlement Letter
- Social Security Benefit Verification Letter



Documents to Submit to LACERS

Proof of Medicare



Senior medical plan application

Employer Group Name: _____ Group Number: _____

Last Name: _____ First Name: _____ M.I.: _____

Mr./Mrs./Ms. Birth Date: ____/____/____ Sex: Male Female

Home Phone #: (____) _____

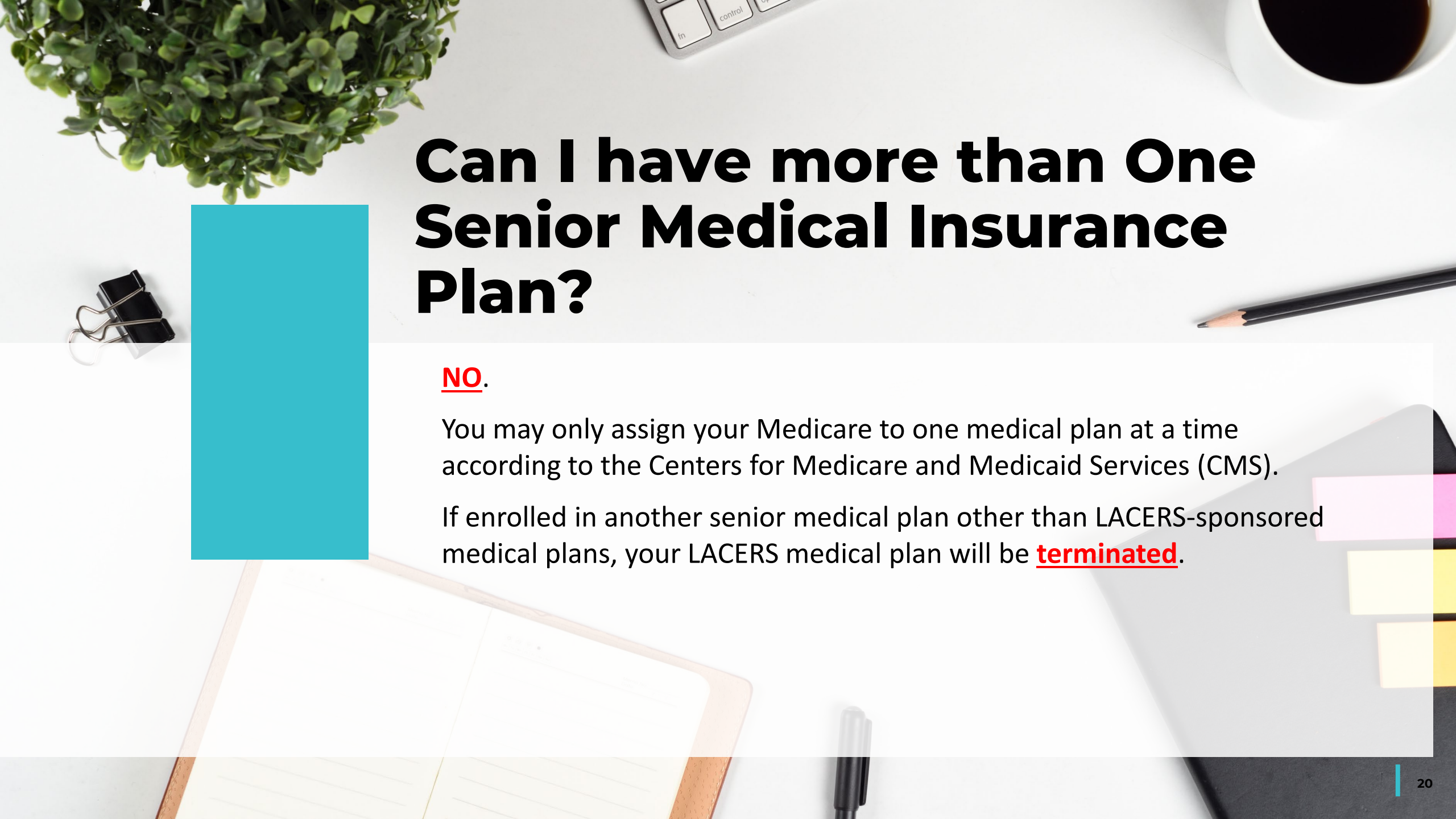
Permanent Residence Street Address (PO Box is not allowed):

LACERS Senior Medical Plan Enrollment Form

Medical Plan Enrollment Form
 Anthem Blue Cross/SCAN Health Plan/
 UnitedHealthcare

1. SUBSCRIBER INFORMATION

Last Name	First Name, Middle Initial	Birth Date
Street Address	City	State



Can I have more than One Senior Medical Insurance Plan?

NO.

You may only assign your Medicare to one medical plan at a time according to the Centers for Medicare and Medicaid Services (CMS).

If enrolled in another senior medical plan other than LACERS-sponsored medical plans, your LACERS medical plan will be **terminated**.



Prescription Benefits: Medicare Part D

- Medicare Part D is the Medicare prescription drug benefit which is already included in LACERS senior medical plans.
- Be very **cautious** of other senior medical plan advertisement, e.g. mail, television, radio and social media.
- If you enroll into an individual senior medical plan or prescription plan, your LACERS senior medical plan will be **terminated**.



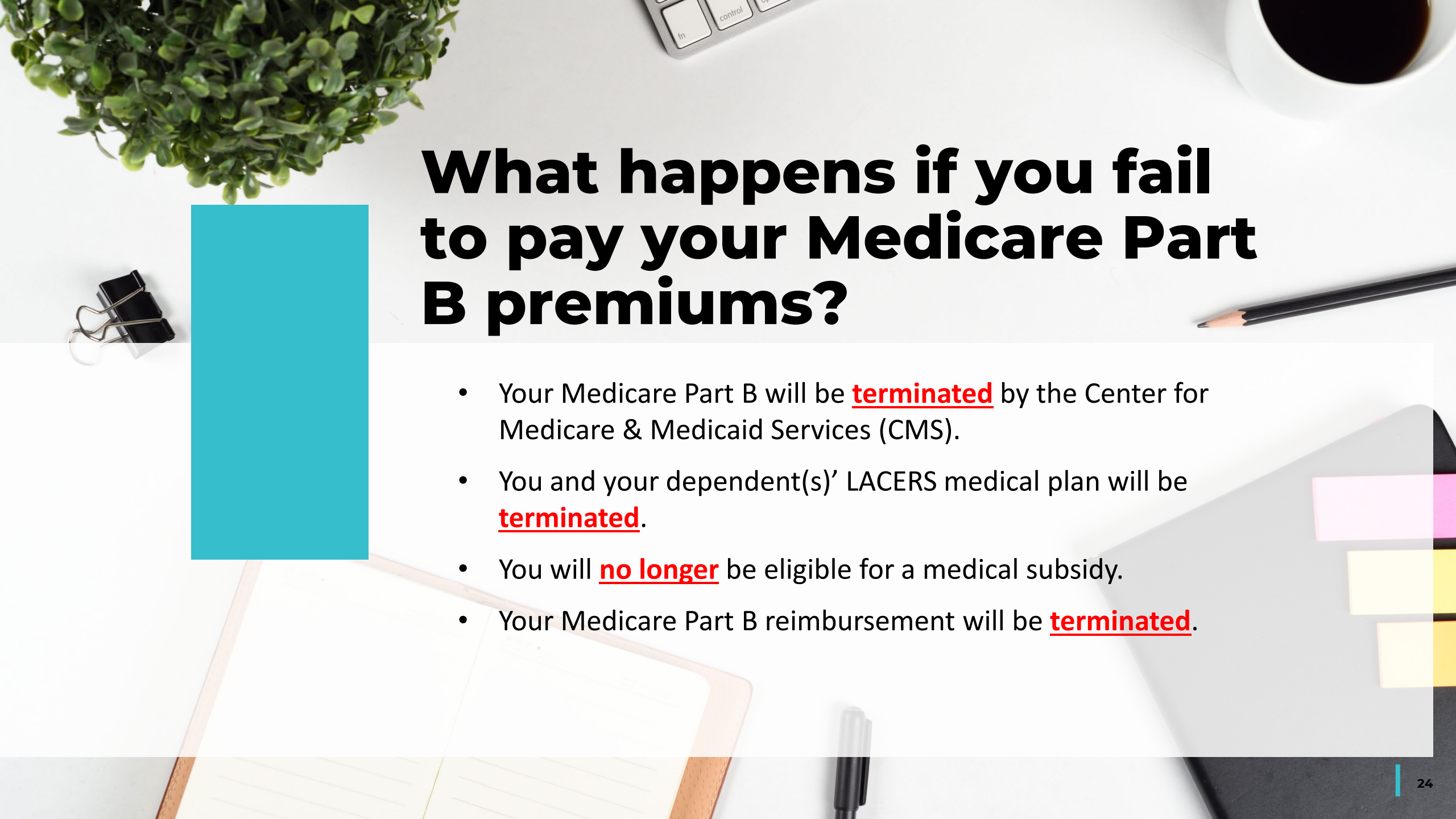
How do You Re-enroll in Medicare Part B Once it Lapses?

- Contact Social Security Administration regarding your Medicare lapse and request a reinstatement.
- Contact the Center for Healthcare Rights at (800) 824-0780. Staff will assist you in reinstating your Medicare.
- Once your Medicare Part B has been reinstated, please contact LACERS immediately.



Late Enrollment Penalties— Medicare Part B

- Medicare will impose a 10% premium penalty for late enrollment for each 12-month period.
- The penalty(ies) will exist if you are enrolled in Medicare Part B.
- LACERS **does not** reimburse you for these penalties.

A top-down view of a desk with various items: a green plant in the top left, a laptop in the top center, a keyboard with 'fn' and 'control' keys visible, a white coffee cup with dark liquid in the top right, a black pencil in the middle right, a black paperclip on the left, and a notebook with a wooden cover in the bottom left. A large teal rectangle is on the left side of the slide.

What happens if you fail to pay your Medicare Part B premiums?

- Your Medicare Part B will be **terminated** by the Center for Medicare & Medicaid Services (CMS).
- You and your dependent(s)' LACERS medical plan will be **terminated**.
- You will **no longer** be eligible for a medical subsidy.
- Your Medicare Part B reimbursement will be **terminated**.



If You Do Not Enroll in Medicare or Do Not Pay the Premium

- You will no longer be eligible for a LACERS medical subsidy.
- Your LACERS senior medical plan coverage and that of your dependent(s) will be **terminated**.
- The Centers for Medicare and Medicaid Services will alert your medical plan and your medical plan will notify LACERS of your Medicare lapse.

A Terrifying Tale – Medicare B Lapse

- ***Martha* is a City retiree, age 67, and enrolled in a LACERS senior medical plan.**
- **Martha was not eligible for a Social Security monthly allowance, so Martha writes a check each quarter to pay the Medicare Part B premiums directly to the Center for Medicare & Medicaid Services (CMS).**
- **In December 2021, Martha thinks Medicare Part B is too expensive (even though LACERS reimburses the Member) (Continued...)**



A Terrifying Tale – Medicare B Lapse (Continued..)

- She decides **not** to send in the first quarterly payment for 2022 to CMS.
- In January of 2022, Medicare informs the LACERS senior medical plan that the Member's Medicare Part B coverage is no longer active.
- The LACERS senior medical plan then informs LACERS and Martha that the senior medical plan coverage is terminated as of January 1st. (Continued...)

A Terrifying Tale – Medicare B Lapse (Continued...)

- **Martha takes no action and does not respond to LACERS or the senior medical plan.**
- **LACERS mails Martha the final notification of the Medicare Part B lapse and plan cancellation in January. Again, Martha ignores the notification and does not respond.**
- **In April 2022, Martha tries to schedule a doctor's appointment. The doctor's office informs Martha that coverage Ended as of January 1st. (Continued...)**

A Terrifying Tale – Medicare B Lapse (Continued...)

- **Martha now calls LACERS to find out why the medical plan was canceled. LACERS informs the Member it is because the Medicare Part B coverage lapsed.**
- **Martha then contacts Social Security Administration to try to get back into Medicare Part B but was told that the Medicare General Enrollment Period had passed.**
- **The Medicare General Enrollment Period is between January 1st – March 31st each year. (Continued...)**

A Terrifying Tale – Medicare B Lapse (Continued...)

- The Member now must wait until **January 2023** to enroll back into Medicare. Martha's Medicare coverage will be effective on **July 1, 2023**, if the Medicare Part B premiums and any penalties are paid.
- In January 2023, the Member was finally able to enroll in a LACERS senior medical plan effective July 1, 2023.

A Terrifying Tale – Medicare B Lapse (Continued...)

- Note: Martha must provide LACERS proof of coverage within 30 days of the Medicare effective date.
- Failure to submit all the required documents by July 1, 2023, may result in the Member having to wait until January 2024 to enroll in a LACERS senior medical plan. (Continued...)

A Terrifying Tale – Medicare B Lapse (Continued...)

- Because the Member let Medicare Part B lapse, Martha was without LACERS medical coverage from January 1, 2022, until July 1, 2023. That's a **year and a half** with no LACERS medical coverage!





A Terrifying Tale – Aftermath

- **Martha** could have avoided this situation by responding to the letters that Medicare, the medical plan, and LACERS sent, and taking action to re-establish Medicare Part B immediately.
- Keep in mind, if your LACERS senior medical plan is ever canceled due to a Medicare Part B lapse, you must re-establish your Medicare Part B coverage prior to re-enrolling **in a LACERS senior medical plan.**



A Terrifying Tale – Aftermath

- You will have 30 days from your new Medicare Part B effective date to enroll in a LACERS senior medical plan.
- Going forward, Martha may be subject to lifetime penalties from Medicare (CMS).



IRMAA-Income Related Monthly Adjustment Amount

- If you are single and your Modified Adjusted Gross Income (MAGI) is more than \$91,000 per year, or if you are married and file taxes jointly, and your MAGI is more than \$182,000, you may be charged additional premiums for Medicare Parts B and D.
- You are responsible for paying these additional amounts to remain eligible for your LACERS senior medical plan, subsidy, and Medicare Part B reimbursement (if eligible).
- The Internal Revenue Services reports your income tax for a particular tax year to CMS to determine your IRMAAs. The income tax year which determines these fees is from your tax filing two years ago (2020).
- **LACERS does not reimburse these additional premiums.**

A stethoscope is positioned diagonally across the right side of the page, resting on a white surface. The chest piece is in the foreground, and the earpieces extend towards the top right. A solid teal vertical bar is located on the left side of the page. The title text is centered over a white rectangular area that partially overlaps the stethoscope.

LACERS SENIOR MEDICAL PLANS



Senior Medical Plan Options for A & B

If you are entitled to Medicare Parts A and B your choices are as follows:

- Anthem Blue Cross Medicare Preferred PPO Plan (U.S.)
- Kaiser Permanente Senior Advantage HMO (CA)*
- SCAN Health Plan (CA)*
- UnitedHealthcare HMO (CA, NV, AZ)*

*Must live within the plan's zip code service area.



Senior Medical Plan Options for B only

If you are entitled to Medicare Part B only, your choices are as follows:

- Anthem Blue Cross PPO Plan (U.S.)
- Anthem Blue Cross HMO (CA)*
- Kaiser Permanente Senior Advantage HMO (CA)*

*Must live within the plan's zip code service area.



What is Dual Care ?


Dual-Care households is an option when one member of the household is age 65 or older with Medicare Parts A **and** B and another member of the household is under age 65 or 65 and older with Medicare Part B ONLY.



Dual-Care Options

For retired Member with Medicare **A & B** / Dependent not in Medicare

- Anthem Blue Cross Medicare Preferred PPO / Anthem Blue Cross PPO
- Kaiser Sr. Advantage HMO / Kaiser HMO
- SCAN HMO / Anthem Blue Cross HMO
- United Healthcare HMO / Anthem Blue Cross HMO



Medical Premium Reimbursement Program (MPRP)

The MPRP program is a medical plan option for Retirees or Survivors who reside:

- Outside of California; or
- In California, but outside a LACERS HMO authorized zip code service area.

MPRP is not available outside the U.S. and its territories.



Medical Premium Reimbursement Program (For Medicare Eligible Members)

- You **must** enroll in a senior medical plan.

You will be reimbursed for:

- Medicare Part B basic premium, if you (the LACERS Retiree) have Medicare Parts A and B;
- Supplemental Medicare Part D prescription drug coverage premium (only if it's not already integrated in your senior medical plan); and
- Vision insurance premium (only if it's not already integrated in your senior medical plan).

Out-of-Country Medical Coverage

- If you plan on **permanently** residing outside the United States and its territories, you do not need to enroll in Medicare.*
- Retirees who reside outside of the U.S. coverage area can only enroll in:
- Anthem Blue Cross Out-of-Country plan

*Medicare is a federally funded program. The Center for Medicare & Medicaid Services (CMS) may charge you penalties if you **return** to the U.S. to reside and need to re-enroll in Medicare. Contact Social Security Administration for additional details. You can not enroll in a LACERS senior medical plan until you have re-enrolled in Medicare.

For Additional Information

Social Security Administration (SSA)

(800) 772-1213 | (800) 325-0778 TTY

www.ssa.gov

Centers for Medicare & Medicaid Services (CMS)

(800) 633-4227 | (877) 486-2048 TTY

www.medicare.gov

The Center for Healthcare Rights

(800) 824-0780

Anthem Blue Cross Medicare Preferred PPO Plan

(833) 848-8730 | TTY 711

www.anthem.com/ca

Kaiser Permanente Senior Advantage Plan HMO

(800) 443-0815 | TTY 711

<http://my.kp.org/lacers>

SCAN Health Plan Medicare Advantage HMO

(800) 559-3500 (CA) | TTY 711

www.scanhealthplan.com/lacers

UnitedHealthcare Medicare Advantage HMO

(800) 457-8506 (CA, AZ, NV) | TTY 711 (CA, AZ, NV)

www.uhcretiree.com

Questions?

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LACERS.health@lacers.org

