

Active Members: Understanding Your Medicare Options

We are interested in your feedback! Please share with us your confidence level in understanding each topic **BEFORE** and **AFTER** the presentation has concluded. Place a checkmark in the box that best fits your confidence level.
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Your Confidence Level in Understanding Each Topic	BEFORE the Presentation					AFTER the Presentation				
	1	2	3	4	5	1	2	3	4	5
What I Need to Do if I'm Retiring at 65										
What I Should Do if I'm Still Working Past 65										
When I Should Talk with My Employer										
What I Should Ask My Employer										
How to Avoid a Gap in My Health Care Coverage										
Common Health Care Terms										
Difference Between Employer Plans & Medicare Plans										
How I'll Use My HRA										
How I'll Work with Via Benefits										

How did you hear about this presentation?

☐ OPERS Email
 ☐ OPERS Newsletter
 ☐ opers.org
 ☐ OPERS Education Event
 ☐ Call from OPERS
 ☐ Employer Email
 ☐ Friend/Co-Worker

Welcome!

Please take a moment to complete the **BEFORE the Presentation** section of the survey card.



Active Members Understanding Your Medicare Options

Health Care Disclaimer

This presentation reflects current information. There is no promise, guarantee, contract or vested right to access to health care coverage or a premium allowance.

The OPERS Board of Trustees has the discretion to review, rescind, modify or change the health care plan at any time.

Although health care is not a statutory requirement, OPERS understands that meaningful health care is part of a secure retirement.

Who Should be Attending This Presentation?



- **Members who are currently working and will turn 65 within 15 months**
- **Members who are 65 and older and still working**



- **Members younger than age 65 at retirement -- your Pre-Medicare HRA and enrollment process is entirely different**

We're Going to Review the Questions:

- 1** I plan on retiring when I turn 65, what should I do?

- 2** I will still be working when I turn 65, what should I do?

- 3** When should I talk to my employer and what should I ask?

- 4** How do I avoid a gap in my health care coverage?

Become an Empowered Consumer

Your employer coverage is more of a one size fits all type of plan.

Individual Medicare plan options come in a variety of packages which may be overwhelming at first. There is much more to consider:

- Insurance providers
- Medicare
- Medical plans
- Prescription plans
- Physicians
- Plan networks
- Travel coverage



Today You Will Leave Here Understanding:



Common Health Care Terms

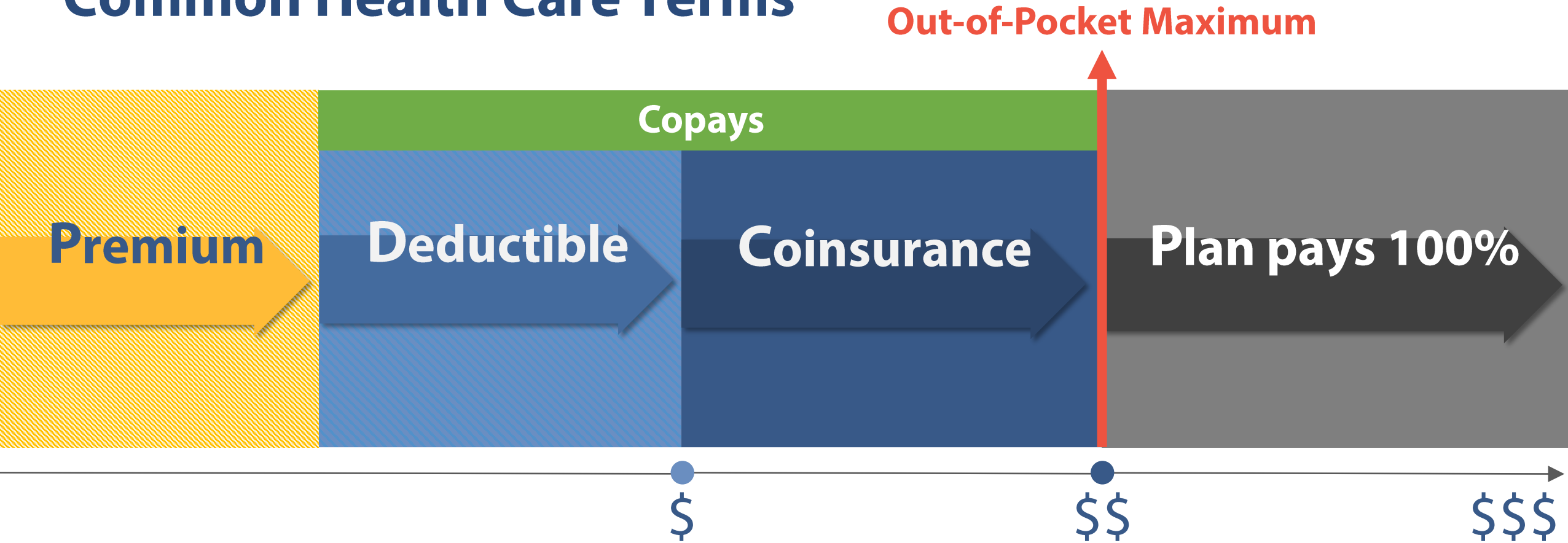
Employer Plans vs. Medicare Plans

Health Reimbursement Arrangement (HRA) Model

Timeline Summary & FAQs

What's Next

Common Health Care Terms



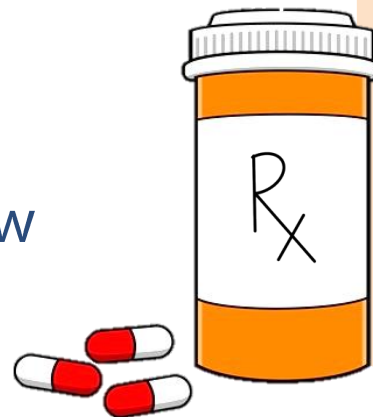
Not all plans are the same – this is an illustration of some common terms that you need to know and understand to be a more empowered health care consumer.

Prescription Drugs

What is a formulary?

A formulary is the list of drugs covered by a carrier's insurance plan:

- Many plans have a formulary, where drugs are divided into groups called “tiers”
- In general, the lower the tier, the lower the cost to you
- Make sure you understand what tier your prescriptions fall under and how much you’ll pay for them



Formulary Tiers

Preferred Generic Drugs

Tier 1 \$

Non-Preferred Generic Drugs

Tier 2 \$\$

Preferred Brand Drugs

Tier 3 \$\$\$

Non-Preferred Brand Drugs

Tier 4 \$\$\$\$

Specialty Drugs

Tier 5 \$\$\$\$\$

Common Health Care Terms

Original Medicare

Coverage managed by the federal government. It includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).

Medicare Advantage

Also known as “Part C,” is a type of Medicare health plan offered by a private company that contracts with Medicare. These plans include Part A, Part B, and usually Part D. Plans may offer some extra benefits that Original Medicare doesn’t cover.

Medigap

Also known as a Medicare Supplement plan, is extra insurance you can buy from a private health insurance company that fills in the “gaps” that Original Medicare Parts A and B do not cover.

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Employer Plans vs. Medicare Plans

When you retire, you will move from your employer's group health care plan to an individual Medicare plan.



⚙️ If you don't retire when you turn 65 you don't need to enroll in an individual Medicare plan, but you should begin to understand the differences.

Employer Coverage

Most common employer sponsored plans are Preferred Provider Organizations (PPO).

See any physician In- or out-of-network



**Primary Care
Physician**

OR

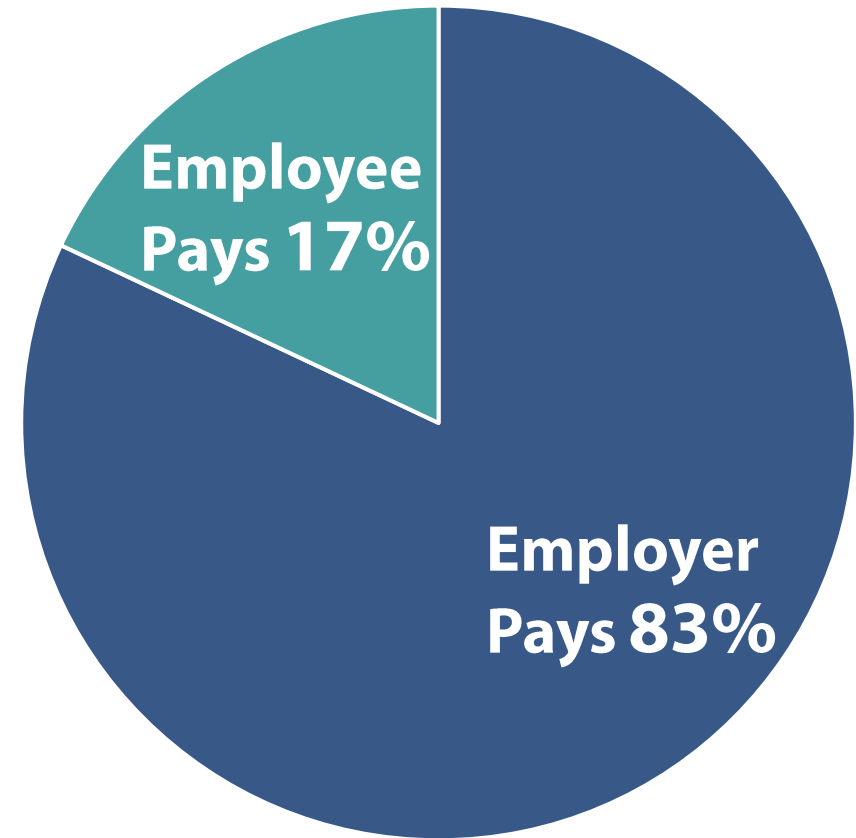


Specialist

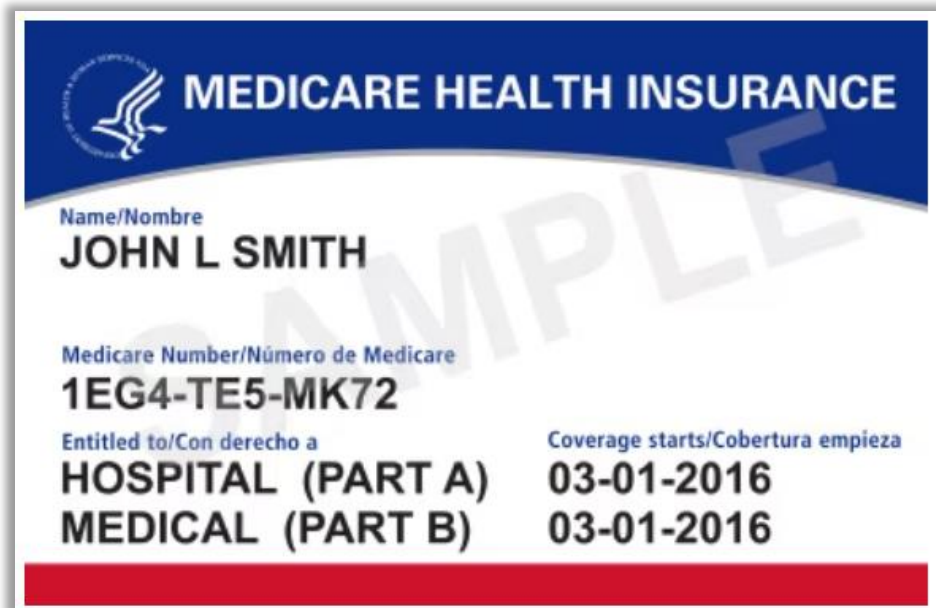
Employer Plan Premiums

- Employers typically pay a higher portion of total cost
- Premium determined by a larger pool of individuals
- Healthy people are subsidizing sicker people
- Premium is the same regardless of age

Average Single Premium



Original Medicare Works Differently



Medicare is federal health insurance for individuals:

- Age 65 and over
- Under 65 with certain disabilities
- Any age with end-stage renal disease or ALS

Medicare Part A – Hospital Coverage

Coverage includes

Inpatient care in hospitals, some skilled nursing facilities and some home health and hospice care

Coverage does not include

Long-term nursing home stays or non-medical, in-home care

Eligibility needs

40 quarters of Medicare Social Security credit – you may qualify through a spouse's work record

Note

Most public employees pay into Medicare even though they don't pay into Social Security



Contributions cannot be made to an HSA once an individual is enrolled in Medicare Part A.

Medicare Part B – Medical Coverage

Coverage includes

Doctor's services (physicians and specialists), outpatient care, some lab work, X-rays, therapy and durable medical equipment

Coverage does not include

Vision or dental

Eligibility needs

Participants are eligible to enroll at the age of 65 or with qualifying illness or disability

Note

The standard monthly premium based on income for 2024 is **\$174.70**. Cost is determined by Social Security and may be higher depending on your income. High income earners should visit [medicare.gov](https://www.medicare.gov) to see their premiums.



For each 12-month period you delay enrollment in Medicare Part B, you will have to pay a 10% Part B premium penalty.



If payment for your Part B premium is ever stopped, you will be disenrolled from your Medigap or Advantage plan.

Medicare Advantage (Part C)

Coverage includes

Offered by private companies approved by Medicare, that will include Original Medicare coverage and often additional coverage. Sometimes covers dental and vision. Most Medicare Advantage plans are MAPDs, which include prescription coverage.

Private Company Plans

Medicare Advantage plans have provider networks like, Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs) or Private Fee-for-Service (PFFS) plans.

Medicare Part D

PRESCRIPTIONS

Generic, brand name and specialty drugs at participating retail pharmacies and home delivery.

You will pay a Late Enrollment Penalty for any period of 63 or more days in a row you don't have Medicare drug coverage or other creditable drug coverage.

Medigap (Medicare Supplement)

Coverage includes

Extra insurance you can buy from a private health insurance company that fills in the “gaps” that Original Medicare does not cover.
Prescription drug coverage is not provided.
Individuals who select this generally also select a Medicare Part D prescription drug plan.

Private Company Plans

Medigap plans do not have networks, therefore policy holders can use any provider who accepts Medicare.



Your doctor provides medical service and bills Medicare



Medicare pays the approved portion of the bills and sends remaining amount to Medigap



Your Medigap plan pays the excess left over, according to the plan's terms

Medigap

1 Original Medicare
PARTS A AND B

2 Medigap

3 Rx Coverage
PART D

3 Parts

VS

Medicare Advantage

1 Hospital,
Medical,
and
Prescription
Coverage

All inclusive

Medigap

- Higher monthly premiums
- Lower out-of-pocket cost
- Any state
- No network
- Medicare Part D separate
- Plans and benefits are identical regardless of carrier

VS

Medicare Advantage

- Lower monthly premiums
- Higher out-of-pocket cost
- Your state, by region
- Has network
- Medicare D usually included
- Plans and benefits vary by carrier

Medigap

Medigap plans are **guaranteed issue** during your Initial Enrollment Period - When you turn 65 and enroll in Medicare Parts A and B. This means no medical underwriting.

- Medical underwriting may apply if you select Medigap outside of the Initial Enrollment Period.

VS

Medicare Advantage

Medicare Advantage plans are always **guaranteed issue** (no medical underwriting) for Medicare-eligible individuals who have Medicare Parts A and B.

- Will remain guaranteed issue whenever you are able to enroll in a new plan.

Think about your 80-year-old self. You may be in good health now, but what will your health be in 15 years? Guaranteed Issue Rights look after your future self.

Help With Plan Selection and HRA Administration

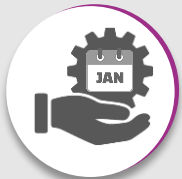
Introducing  VIA BENEFITS®



Help with plan research and enrollment assistance



Help with mediating carrier issues



Provide ongoing support and annual plan evaluation



Manage the reimbursement of claims

Work With a Licensed Benefit Advisor

An unbiased licensed Benefit Advisor will partner with you to understand:

- Your medical and pharmacy needs
- Your lifestyle and budgetary considerations

And help you determine an individual plan that suits your needs



Today You Will Leave Here Understanding:



Common Health Care Terms

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**Health Reimbursement Arrangement
(HRA) Model**

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What's Next

Health Care Allowances From OPERS

OPERS provides eligible retirees with a monthly allowance to be reimbursed for some of the qualified expenses associated with your health care plan.

Allowance Percentages are calculated using your:

- Age at the time of eligibility
- Years of qualified health care service credit



How Allowances are Calculated

The OPERS **Base Allowance** is the dollar amount that is used to calculate your monthly HRA allowance.

Base Allowance (Medicare): **\$350**

X

Allowance Percentages range: **66%** to **90%**

=

Allowance Amounts range: **\$231** to **\$315**

Years of Service/Age	65 and over
20	66%
21	68%
22	70%
23	72%
24	74%
25	76%
26	78%
27	80%
28	82%
29	84%
30	86%
31	88%
32	90%

HRA Allowance Example

Using Average Allowances for OPERS Retirees

37% of retirees 70 -79% allowance	
Average Allowance	\$260
Medigap Plan G	\$205
Part D Rx Plan	\$57
Health Care Premium Total	\$262
Allowance to Premium Ratio	99%

Medicare Recipients Have a Closed HRA

You **must** use Via Benefits to enroll in an individual Medicare medical plan to receive a deposit into a Health Reimbursement Arrangement (HRA)



Via Benefits assists members who contact them to select a plan



They specialize in connecting retirees to plans with an abundance of plan options



Most plans have the ability to report enrollment and payments to Via Benefits



Not all plans available to Medicare participants will be available through Via Benefits.

Reimbursement Process

Via Benefits serves as the HRA administrator. They process your claims and expense reimbursement requests.



OPERS
deposits your
allowance into
your HRA



YOU
must pay eligible
medical expenses
first



YOU
submit a
reimbursement
claim



VIA BENEFITS
will reimburse
you via
direct deposit

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Retiring When You Turn 65

(Initial Enrollment Period)

- **6 months prior to 65**

Contact OPERS to discuss your retirement options

- **3 months prior to 65**

Request proof of creditable coverage from your employer and apply for Medicare Parts A and B

- **2 to 6 months prior to 65**

Apply for retirement with OPERS

- **After receiving the OPERS Health Care Confirmation letter**

Contact Via Benefits to schedule your enrollment call

Retiring When You Turn 65

(Initial Enrollment Period)

Or... Continue to Work When You Turn 65

- **3 months prior to 65**

Research the option to remain with your employers group coverage or enroll in Medicare Parts A and B and an individual Medicare plan.

Discuss these options with your employer.

Older Than 65 and Still Working

(Special Enrollment Period)

- **6 months prior to your retirement date**

Contact OPERS to discuss your retirement options

- **3 months prior to your retirement date**

Request proof of creditable coverage from your employer and apply for Medicare Parts A and B with an effective date the first of the month following termination of your employer coverage

- **2 to 6 months prior to your retirement date**

Apply for retirement with OPERS

- **After receiving the OPERS Health Care Confirmation letter**

Contact Via Benefits to schedule your enrollment call

FAQ #1

Q.

What is the effective date of my Medicare Parts A and B and my individual Medicare plan?

A.

You want your effective date to be the first of the month following termination of your employer coverage.

For those retiring at age 65, this will be the first of the month in which you turn 65. If you turn 65 on the first of a month, your effective date is the first of the month prior.

For those continuing to work after 65, this will be the first of the month following termination of your employer coverage.

FAQ #2



I will be retiring at age 65 and will qualify for the HRA, what will be the effective date of my HRA?



Your effective date for the OPERS HRA will be the first of the month following your 65th birthday.

FAQ #3

Q.

If I don't like the plan I enrolled in, when can I change?

A.

Every year, the Open Enrollment period (Oct. 15 – Dec. 7) allows you to change your Medicare Advantage or Medicare Part D Prescription Drug plan.

Medigap policies don't have an Open Enrollment period. You are free to apply for a different policy at any time.

However, after your Guarantee Issue Period, you may have to go through medical underwriting.

FAQ #4



Can my spouse use Via Benefits to research and enroll in a plan?



Yes. Via Benefits helps many people determine an individual plans that best suits their needs.

FAQ #5

Q.

If I need assistance, can someone else speak with a Via Benefits licensed benefit advisor on my behalf?

A.

Yes, but they must have your verbal permission or, if you can't provide your verbal permission, someone with your Power of Attorney can complete the enrollment on your behalf.

FAQ #6

Q.

What's the difference between the OPERS HRA and an HSA?

A.

The **OPERS HRA** is an account funded by OPERS that provides tax-free reimbursement for qualified health care expenses.

A **Health Savings Account (HSA)** is an individually owned or employer owned account that helps individuals pay for eligible health care expenses associated with a High-Deductible Health Plan (HDHP). Once enrolled in Medicare, contributions can no longer be made.

FAQ #7

Q.

I'll have the OPERS HRA and an HSA. Can both accounts be used for reimbursement of similar qualified expenses?

A.

Yes, but as is always the case when it comes to tax-advantaged accounts, there's no double-dipping allowed. You cannot pull tax-free money out of an HSA and also seek a tax-free HRA reimbursement for the same medical expense.

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What's Next

Medicare: Important Mailings & Website

- Look for important communications from Social Security about Medicare
- Visit **medicare.gov** for more information about the parts of Medicare, premiums, and what Medicare covers
- Download **Medicare & You**, a comprehensive guide to all things Medicare



OPERS Website

- Visit **opers.org** and navigate to Retired Members/Health Care
- This page provides HRA information, program eligibility, how to find a plan when retiring and where to find help
- You'll also find FAQs and links to other resources



The screenshot displays the OPERS website's 'The OPERS Health Care Program' page. At the top, there is a navigation bar with the OPERS logo, links for 'Active Members', 'Retired Members', and 'Employers', a search bar, and an 'Account Login' button. The main header features a large image of a smiling couple with the title 'The OPERS Health Care Program' and a subtitle: 'What you need to know whether you are considering retirement or already receiving an OPERS benefit'. Below this, a sidebar on the left lists various topics under the heading 'OPERS HEALTH CARE PROGRAM', including 'What OPERS Offers', 'Am I eligible for the OPERS Health Reimbursement Arrangement (HRA)?', 'How and when can I enroll in the HRA?', 'How will I get reimbursed for my health care expenses?', 'How can I find a medical plan when retiring?', 'Am I required to enroll in Medicare?', 'How does the HRA work if I return to employment?', 'OPERS Vision and Dental Plans', 'Frequently Asked Questions', and 'Education & Other Resources'. The main content area is titled 'What OPERS Offers' and contains two paragraphs of text explaining the program's purpose and features. A section titled 'Health Reimbursement Arrangement (HRA)' with a checkmark icon provides further details about the HRA, including its funding and how it is used for medical expenses. At the bottom, a link says 'Learn more about HRA eligibility, enrollment and how to use the HRA.'

OPERS

Active Members ▼ Retired Members ▼ Employers ▼ Search OPERS.org Q Account Login

The OPERS Health Care Program

What you need to know whether you are considering retirement or already receiving an OPERS benefit

OPERS HEALTH CARE PROGRAM

What OPERS Offers

- Am I eligible for the OPERS Health Reimbursement Arrangement (HRA)?
- How and when can I enroll in the HRA?
- How will I get reimbursed for my health care expenses?
- How can I find a medical plan when retiring?
- Am I required to enroll in Medicare?
- How does the HRA work if I return to employment?
- OPERS Vision and Dental Plans
- Frequently Asked Questions
- Education & Other Resources

What OPERS Offers

While OPERS is not required to provide health care coverage by law, the Ohio Public Employees Retirement System recognizes the important role it plays as part of a secure retirement. When considering retirement, you should keep in mind that once retired you will no longer be covered under your employer's group medical plan. As you transition to retirement, you'll also need to enroll in new health care coverage. This section provides information about what health care options OPERS offers, eligibility requirements and enrollment.

The OPERS health care program features a Health Reimbursement Arrangement (HRA) for eligible Pre-Medicare and Medicare benefit recipients as well as optional vision and dental plans. To help benefit recipients find a medical plan which fits their needs, we also offer the services of the OPERS Connector.

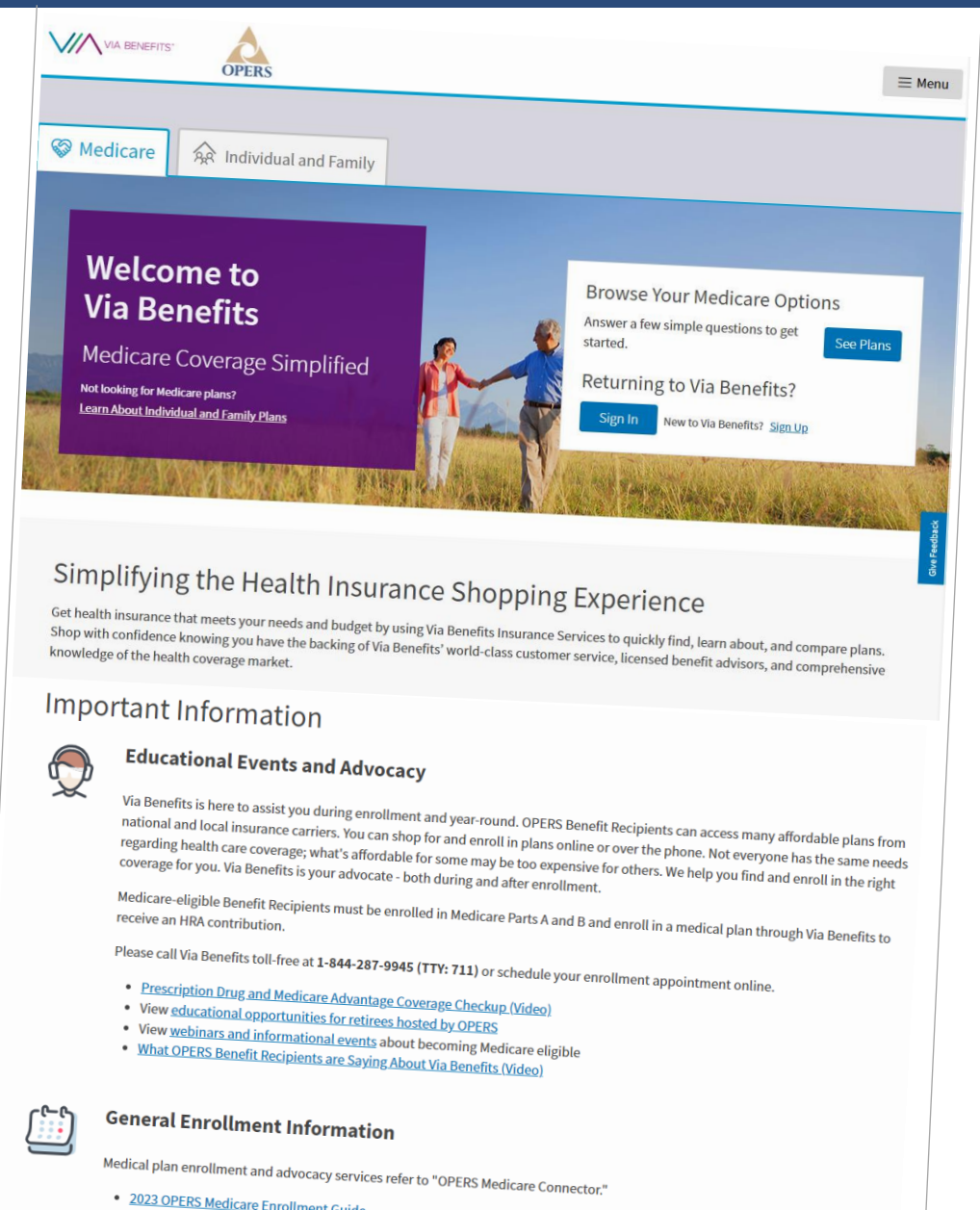
☒ Health Reimbursement Arrangement (HRA)

An HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and copays incurred by eligible benefit recipients and their dependents. Eligible benefit recipients can receive monthly HRA deposits from OPERS and seek reimbursement from the HRA for qualified medical expenses. Requirements to receive HRA deposits vary based on your age, years of qualified service credit at retirement and Medicare eligibility.

[Learn more](#) about HRA eligibility, enrollment and how to use the HRA.

Via Benefits Website

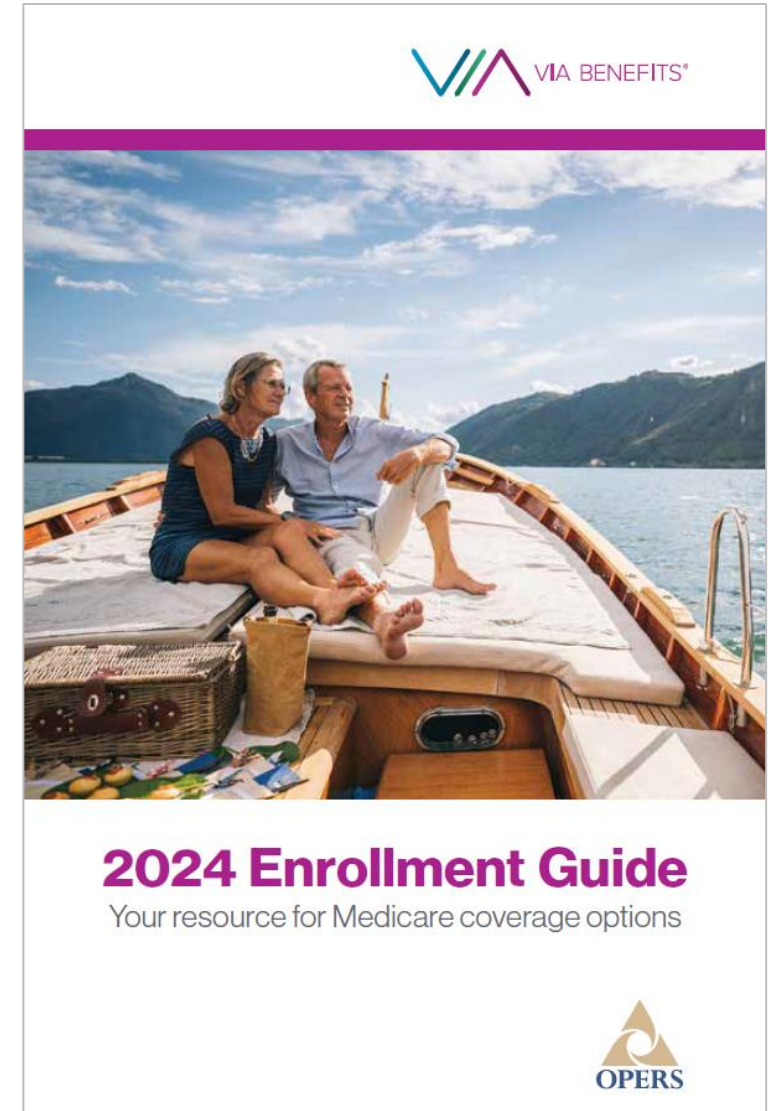
- Visit my.viabenefits.com/opers
- You can begin browsing Medicare plans directly from the website
- You'll find information about other educational events, "how to" videos, expense reimbursement and enrollment



Via Benefits Website

One of the best resources to review as you approach retirement is the **Enrollment Guide**, it covers:

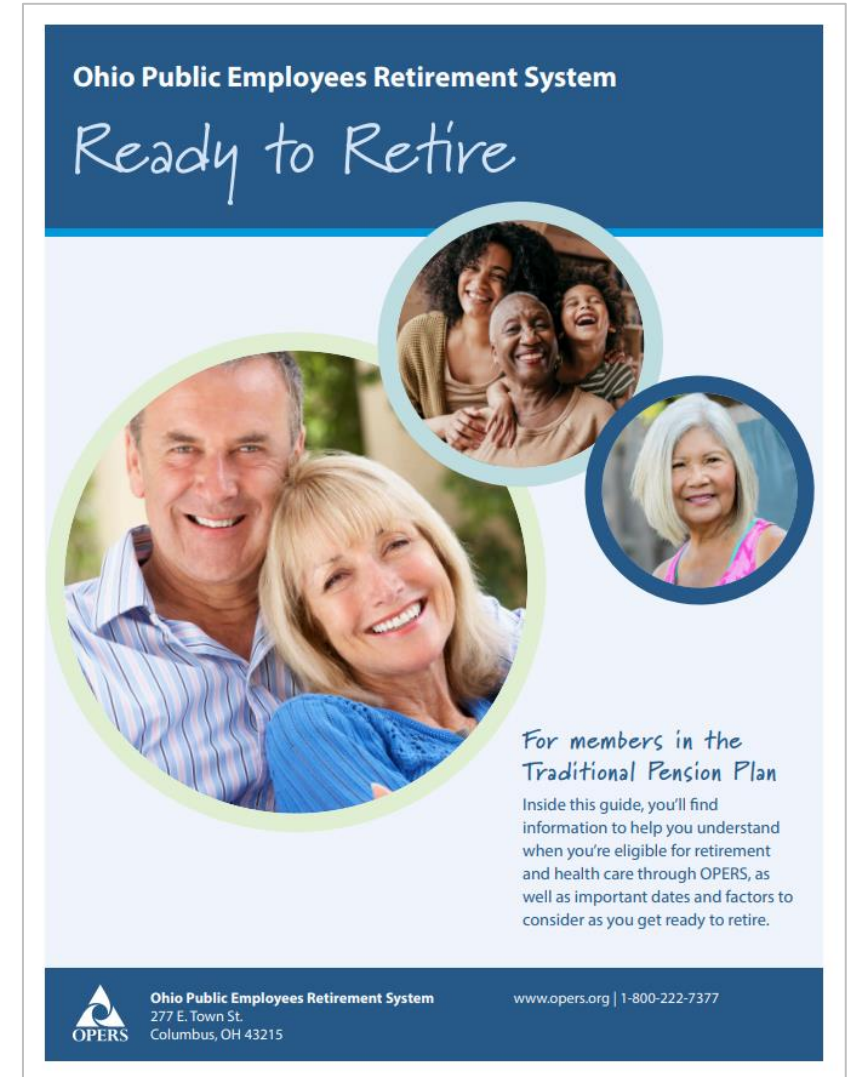
- Getting ready to enroll in coverage
- Understanding your new coverage options
- Three steps to enrollment - PREPARE, REVIEW and ENROLL
- What to expect after enrollment



Attend a Ready to Retire Seminar

Attend when you're within 12 months of retirement to hear more about:

- Eligibility and allowances for the OPERS Health Care program
- How the HRA works
- What to know if you're considering re-employment



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How did you hear about this presentation?
☐ OPERS Email ☐ OPERS Newsletter ☐ opers.org ☐ OPERS Education Event ☐ Call from OPERS ☐ Employer Email ☐ Friend/Co-Worker

QUESTIONS

ANSWERS

Thank you for attending!

Please take a moment to complete the ***AFTER* the Presentation** section of the survey card.