



TOWN OF SAUGUS

HUMAN RESOURCES

298 CENTRAL STREET

SAUGUS, MASSACHUSETTS 01906

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Step-by-Step Instructions for Transitioning to Medicare

Step 1a: If you are turning 65, but still an active employee, you must contact Social Security (either in person or online at www.ssa.gov) to enroll in Medicare Part A. For most people there is no charge for Part A. You do not need to enroll in Medicare Part B until you retire. When you decide to retire it will be necessary to enroll in Part B and continue with the remainder of the steps.

Step 1b: If you are turning 65, and retired, you must contact Social Security (either in person or online at www.ssa.gov) to enroll in both Medicare Part A and Part B. For most people there is no cost for Part A. The current cost for Part B is **\$144.60** per month. Your Supplemental Medicare insurance policy (see Step 3) will provide you with prescription drug coverage therefore *you do not need to enroll in Medicare Part D*.

Note: If you are not eligible for Medicare Part A (for free) or Medicare Part B – please send a copy of the ineligibility letter from Social Security to the Human Resource office at Saugus Town Hall. We will forward it to the Massachusetts Interlocal Insurance Association (MIIA). You will then be allowed to remain on your current non-Medicare insurance plan indefinitely.

Step 2: Your Medicare card will arrive in the mail within 2-3 weeks. Please bring it to the Human Resources office at Saugus Town Hall. We'll make a copy of your card and then scan & upload the document directly to MIIA's secure website, along with the request to change your current insurance.

Step 3: Medicare Part A and B will now be considered your *primary* coverage, which means we'll be switching you from your current full-coverage insurance to a policy that supplements Medicare. There are a few to choose from, all of which provide health and prescription benefits. We'll help you fill out the paperwork and send it to MIIA/BCBS along with a copy of your Medicare card. If you were enrolled in a family plan we will also arrange for your spouse and/or dependents to remain on that existing plan.

Step 4: Ideally, the date printed on your Medicare card is when both your new insurance plan and Medicare will be effective. However if the paperwork is not submitted to MIIA/BCBS in time, the supplemental coverage may be delayed. *Your existing insurance will not end until your new supplemental coverage begins so there will be no gap in coverage.* Bring your new Medicare card and your new Supplemental Insurance card with you to your next health care appointment so the office staff can update their billing files.

Note: Correspondence from MIIA and BCBS is very important. If you don't understand a form or request for information, feel free to bring it to the HR office and we'll go over it together.

- As you approach age 65 you will receive monthly reminders from MIIA to visit your local Social Security Office to apply for Part A and B.
- Once the request has been submitted to change your insurance plan you will receive documents which, by law, allow you 21 days to change your mind. If you are happy with your decision then you do not need to fill out or return any paperwork.

Premium Deductions

The cost of Medicare Part B will be deducted from your monthly social security check. If you have chosen not to receive benefits at this time, or if you are not eligible for Social Security benefits, then you will be billed by Medicare on a quarterly basis (the bill will be approximately \$434.00 every 3 months). *Keep in mind it is possible to be eligible for Medicare, but not Social Security.*

The cost of your Supplemental Insurance premium, as well as the premiums for your spouse and/or dependents, will continue to be deducted from your monthly retirement check.

- If you are a retired Town employee your plan and premium information will be sent to the Saugus Retirement Board Administrator at 25 Main St. (Town Hall Annex). The monthly cost will be deducted from your pension check.
- If you are a Retired Municipal Teacher your plan and premium information will be sent to the Massachusetts Teachers' Retirement Office (MTRS) in Boston, MA. The monthly cost will be deducted from your pension check.

Note: MTRS handles requests from all municipalities thus there is often times a 4-6 week processing delay. You may not see the update in your next monthly check, however when it is updated the change will be retroactive to the date initially requested.

Medicare Part B Partial Reimbursement

The agreements to join the Group Insurance Commission (GIC) in 2008 and the Massachusetts Inter-local Insurance Association (MIIA) Health Benefit Trust in 2014 contain a clause whereby the Town agrees to reimburse eligible subscribers (and spouses) 60% of the cost of Medicare Part B. The current cost of Medicare Part B is \$144.60 which means the reimbursement will be approximately \$84.76 per month. The payment is automatic – meaning you do not have to submit any documents or requests. The check will be mailed once per year – usually in late July or early August (reimbursing costs for the previous fiscal year).

Please keep in mind the cost of Medicare Part B is determined by the Social Security Administration and is subject to change every year.

If you still have questions please don't hesitate to contact me at (781) 231-4142.