



The Benefits of Medicare.

A useful guide that helps you understand Medicare and your Federal Employee Health Benefits Plan.





Double Coverage, Double Protection.

Whether you are looking forward to retiring, traveling or perhaps welcoming a grandchild into your family, your 65th birthday marks a very special time in your life.

When you turn 65, you also become eligible for Medicare. We want to help you discover how the Compass Rose Health Plan and Medicare work together. Our goal is to protect you from high out-of-pocket health care expenses.

We provide information to alleviate uncertainties and stress you may have, so you can enjoy what matters to you most.

What is Medicare?

On July 30, 1965, the Medicare Program was signed into law by President Lyndon B. Johnson — extending health care coverage to almost all Americans 65 years of age or older.

Medicare is the federal health insurance program for people who are:

- 65 years of age or older
- Under 65 with certain disabilities
- Of any age diagnosed with End-Stage Renal Disease (ESRD) [permanent kidney failure requiring dialysis or a kidney transplant]

Medicare has four (4) parts:

Medicare Part A	Hospital Insurance
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Medicare Part B	Medical Insurance
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Medicare Part C	Advantage Plans
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Medicare Part D	Prescription Drug Coverage
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The Original Medicare Plan (Original Medicare) is available everywhere in the United States. It is the way everyone used to get Medicare benefits and is the way most people get their Medicare Part A and Part B benefits now. You may go to any doctor, health care provider, hospital or facility that accepts Medicare. The Original Medicare Plan pays its share and you pay your share.

You are not required to enroll in Medicare. If you choose to enroll, it is your choice which part(s) to take.

MEDICARE TIP

Did you know that there are limited times to enroll in a Medicare Plan?

Medicare does not cover everything, so be sure to research all your options.

Medicare Part A: Hospital Insurance

Most people are not responsible for paying **Part A** premiums because they paid Medicare taxes while working. If you or your spouse worked for at least 10 years (40 quarters) in Medicare-covered employment, you are entitled to “premium-free **Part A**” insurance.

Medicare **Part A** helps pay for the following:

- Inpatient hospital care
- Critical access hospitals
- Skilled nursing facility care
- Hospice care
- Some home health care

Medicare Part B: Medical Insurance

If you choose to enroll in **Part B**, premiums are generally withdrawn monthly from your Social Security check or your retirement check. Depending on your income, you may be required to pay a higher premium.

Medicare **Part B** helps pay for medically necessary services like:

- Doctors’ services
- Ambulance services
- Outpatient hospital care and services
- X-rays and laboratory tests
- Some home health care
- Durable medical equipment and supplies
- Selected preventive care services

If you choose not to enroll in **Part B** when you first become eligible, you may be charged a **Part B** late enrollment penalty if you choose to enroll at a later date, resulting in a 10% increase in premium(s) for every 12 months you are not enrolled. You will pay the extra 10% for as long as you have **Part B**.



If you enroll in Medicare coverage or select an Advantage Plan, you must contact us to update your Coordination of Benefits.

Medicare Part C: Advantage Plans

Advantage Plans (**Part C**) are private health care choices (like HMOs and regional PPOs) in some areas of the country. It may be advantageous to suspend your FEHB coverage if you enroll in **Part C**. For more information regarding Medicare **Part C** Advantage Plans, please contact a Medicare Representative.

MEDICARE TIP

Remember to notify us of your Medicare Number so we can receive your claims directly from Medicare.

Medicare Part D: Prescription Drug Program

Part D helps cover the cost of prescription drugs.

The Office of Personnel Management (OPM) has determined that the Compass Rose Health Plan's prescription drug coverage is, on average, expected to pay as much as the standard Medicare Prescription Drug Coverage for all plan participants and is considered Creditable Coverage.

Therefore, **enrolling in Part D is an unnecessary expense if you are already covered under the Compass Rose Health Plan.**

When you participate in the Compass Rose Health Plan's Wellness Rewards Program, you and your covered spouse can each earn up to \$250. The money you earn is put into a Retiree Reimbursement Account that can be used to reimburse for qualifying medical expenses the following plan year, like your Medicare Part B premium.



Compass Rose Health Plan and Medicare

Being enrolled in Medicare and the Compass Rose Health Plan can help significantly decrease your out-of-pocket health care expenses. Even though enrolling in Medicare is not required, there are some definite advantages to having both Medicare and the Compass Rose Health Plan.

When you have the Compass Rose Health Plan, in addition to Medicare **Part A** and **Part B**, you get coverage for:

- Most prescription drugs
- Deductibles, coinsurance or copayments when you receive health care services
- Routine yearly physical exams (Medicare only covers your first year's physical)
- Hearing aids*
- Accupuncture
- Some vaccinations
- Health care services outside of the U.S.

* The Compass Rose Health Plan covers up to \$1,200 for one hearing aid per ear every three (3) years for Medicare Part B members. Those without Medicare Part B will be covered up to \$1,200 for one hearing aid per ear every five (5) years.

The Original Medicare Plan: Part A and B

Because Medicare benefits are limited, we recommend you look at how both plans can work together. Below is a list of **covered benefits** available when you enroll in both Medicare **Part A** and **Part B** and the Compass Rose Health Plan.

Inpatient Hospital Care Expenses	The Compass Rose Health Plan waives hospital copayments and coinsurance.
Outpatient Provider Expenses	The Compass Rose Health Plan waives most calendar year deductibles, copayments and coinsurance for medical services and supplies.
Pharmacy	The Compass Rose Health Plan offers prescription drug copayments at a reduced rate for 90-day Home Delivery or 30-day Retail pharmacies using Express Scripts for Medicare Part B members.
Network of Physicians and Hospitals	<p>Once you are enrolled in Part B, you have the freedom to be seen by ANY participating Medicare provider WITHOUT penalty (whether PPO or non-PPO).</p> <p>You can verify that your providers are Medicare participating physicians by visiting compassrosebenefits.com/Medicare.</p>
Other Covered Services	<p>Diabetes testing supplies</p> <p>Respiratory supplies</p> <p>Immunosuppressive medications</p> <p>Oral anti-cancer medications</p>
<p>It is generally to your financial advantage to use a physician who participates with Medicare. Please note that under the following circumstances, the Compass Rose Health Plan will not waive your deductible and coinsurance and we will use Medicare Rates to determine the allowed amount of billed charges.</p>	
When Medicare Denies, Excludes or Exhausts	The difference is not your responsibility.
When your provider Opts Out of Medicare	The difference is your responsibility.
When your provider does not accept Medicare Assignment	You may be billed up to 15% above Medicare Rates.

Frequently Asked Questions

Do I have to enroll in Medicare when I turn age 65?

No, you are not required to enroll in Medicare; however, if you would like to receive Medicare benefits upon turning age 65, you can sign up by:

- Applying online through the Social Security Administration
- Visiting your local Social Security Office
- Calling Social Security toll-free at **(800) 772-1213** // TTY: **(800) 325-0778**

How is Medicare financed?

Medicare is financed by a portion of the payroll taxes paid by workers and their employers. It is also financed in part by the participant's monthly premiums.

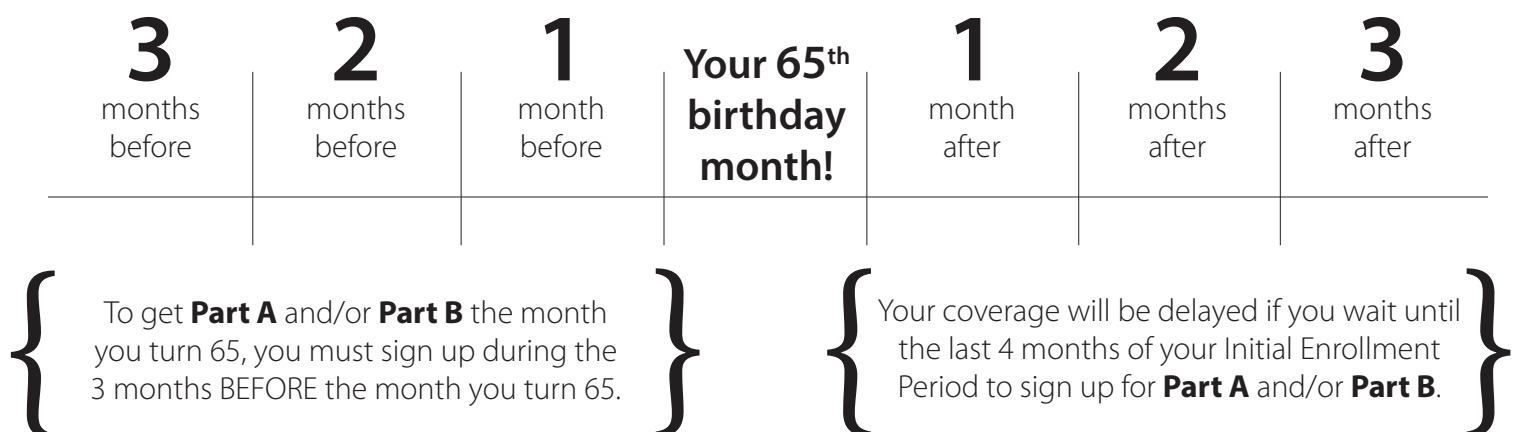
When do I become eligible to enroll in Medicare?

When you turn age 65, you have a 7-month Initial Enrollment Period to enroll in Medicare **Part A** and/or **Part B**. The 7-month period begins 3 months before the month you turn age 65, includes the month you turn age 65 and ends 3 months after the month you turn age 65.

If you choose to enroll in Medicare **Part A** and/or **Part B** during the first 3 months of your Initial Enrollment Period, your coverage becomes effective the 1st day of your birth month. If your birthday is on the 1st day of the month, your coverage begins the 1st day of the month prior.

If you enroll in Medicare **Part A** and/or **Part B** the month you turn 65 or during the last 3 months of your Initial Enrollment Period, your start date will be delayed.

Sign up early to avoid a delay in coverage!!



If I have FEHB coverage, do I need Medicare Part B?

It is your decision whether to enroll in Medicare **Part B**. However, as we have outlined there are definitely advantages to having both plans.

Will my Compass Rose Health Plan premiums be reduced if I choose to enroll in Medicare?

No, your premiums will not be reduced. Medicare participants will pay the same premiums as non-Medicare participants. If you participate in the Wellness Rewards Program, you and your covered spouse are eligible to receive up to \$250 each to reimburse for qualified medical expenses, like your Medicare Part B premium.

When is the Compass Rose Health Plan the primary payer?

If either you or your covered spouse has Medicare but you are an active Federal employee, the Compass Rose Health Plan will remain your primary health insurance.

When is Medicare the primary payer?

Once you retire from the Federal government, Medicare will become your primary health insurance. As long as you are seen by a participating Medicare provider, Medicare is typically required to pay 80% of each claim and your secondary insurance is typically responsible for paying the remaining 20%.

There are exceptions when determining whether the Compass Rose Health Plan or Medicare is your primary payer. Please refer to the Medicare section in your Compass Rose Health Plan FEHB Brochure for an all-inclusive list of primary payer guidelines.

How do I file a claim with both insurance plans?

If the Compass Rose Health Plan is your primary health insurance, your in-network provider will submit your claim(s) to us first. After paying benefits on your claim, we will send you an Explanation of Benefits (EOB). Please send the EOB and copies of all related bills to Medicare for processing.

If Medicare is your primary health insurance, your provider will submit your claims directly to Medicare. In most cases, your claims will be coordinated automatically and we will provide secondary benefits for covered charges.



**It is YOUR
responsibility to
notify the Compass
Rose Health Plan of
your enrollment
in Medicare.**

Helpful Resources

Medicare

Toll-Free: (800) 633-4227 | TTY: (877) 486-2048
medicare.gov

Office of Personnel Management (OPM)

Toll-Free: (888) 767-6738
opm.gov/Insure

Social Security Administration

Toll-Free: (800) 772-1213 | TTY: (800) 325-0778
socialsecurity.gov

Compass Rose Health Plan

Administrative Office: (866) 368-7227 (option 3)
Claims Department: (888) 438-9135
compassrosebenefits.com

Terms You Should Know

Coinsurance	A percentage of the covered charge that is your responsibility.
Copayment	A fixed dollar amount you pay for a covered service.
Deductible	The amount you have to pay before Medicare and Compass Rose will start paying benefits.
Premium	The amount you pay biweekly or monthly for insurance coverage.
Primary Payer	When coordinating benefits, the health plan that pays benefits first for a claim or medical care.
Secondary Payer	When coordinating benefits, the health plan that pays benefits after the primary payer has paid its full benefits.

compassrosebenefits.com/MedicareCoverage