

**Department of Employee Trust Funds  
Local Health Insurance Administration Manual**

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## Chapter 12 - Medicare

### 1201 Overview of Medicare

#### Employer responsibility:

When an employee is planning to retire and is age 64 and 9 months or older, the employer should inform the employee to begin contacting Medicare to enroll in Medicare Part B three months before the employee retires.

**Note:** Employees age 65 and older are automatically enrolled in Medicare Part A coverage, in most cases.

#### myETF Benefits:

On the covered individual screen, you and your employees may see whether or not ETF has Medicare eligibility information for them and their dependents (see below). For active employees, ETF collects this information for coordination of benefits with Medicare. Please ask employees older than age 65 to provide the information.

Either the employer or the employee can enter the information into myETF Benefits. If entered by the employer, please have the employee provide a *Health Insurance Application/Change Form* (ET-2301). Medicare eligibility information may also be provided to ETF by the Centers for Medicare & Medicaid Services (CMS) through Voluntary Data Sharing Agreement (VDSA) between ETF and CMS, ETF, or the health plan. If your employees have concerns about the accuracy of the data, first carefully verify all fields with them, including expiration dates, then contact ETF.

Medicare: NO		
Medicare Eligibility Reason:	Medicare A Effective Date:	Medicare B Effective Date:
Health Insurance Claim Number:	Medicare A Expiration Date:	Medicare B Expiration Date:

  

Additional Medicare Info:		
Medicare C Effective Date:	Medicare D Effective Date:	ESRD Start Date:
Medicare C Expiration Date:	Medicare D Expiration Date:	ESRD End Date:
Medicare C Contract No:		Medicare D Contract No:

#### Premium Rates:

Active employees (non-annuitants) and their dependents are not required to enroll in Medicare Part B when first eligible and do not receive the Medicare reduced premium rate in the event that they do enroll in Medicare. However, if your employee insures a

Domestic Partner, the DP may be subject to Medicare late enrollment penalties if they do not enroll in Part B when first eligible. Questions should be directed to the DP's local Social Security Administration office or 1-800-772-1213.

The coverage types of Medicare Single, Medicare Family - 1 and Medicare Family - 2 are not listed for active employees because they are not eligible for the Medicare reduced rates, as the WPE Group Health Insurance Program pays primary on claims for these employees.

**Employees age 65 and older** are automatically enrolled in Medicare Part A coverage, in most cases. Upon retirement they and/or their Medicare eligible dependents must immediately enroll in Medicare Part B. At that time, their annuitant premiums will be reduced and Medicare will become the primary payer for their claims. If they do not enroll in Part B, they will be responsible for paying the portion of the claims Medicare would have paid if they had enrolled Part B. For example, Medicare pays 80% for Part B services like allowable durable medical equipment and our program pays the remaining 20%. Without Part B coverage, the annuitant would pay the 80% portion of the claim.

**Medicare due to disability:**

If you have an employee who is eligible for Medicare due to disability, such as End Stage Renal Disease (ESRD), we recommend they speak with their local Social Security Administration office or call 1-800-772-1213. They should discuss their enrollment options and any potential late enrollment penalties.

**Annuitants:**

Annuitants and their insured dependents eligible for coverage under Medicare must enroll in Parts A and B when first eligible due to age or disability per Wis. Stat. § § 40.51 (7) and 40.52 (2). Annuitants and their insured dependents failing to enroll in Medicare will be held responsible for the portion of claims that Medicare would have covered, had they been enrolled in Medicare, and must enroll in Medicare at the next available opportunity. A *Medicare Eligibility Statement* (ET-4307) and a copy of the Medicare card is used to inform ETF of the Medicare effective dates. ETF will mail the *Medicare Eligibility Statement* to the retiree for completion. Please provide ETF with a copy of the retiree's Medicare card, when available.

U.S. residents, retired employees and their spouses, domestic partners and/or dependents participating in the WPE Group Health Insurance Program who are Medicare enrolled, will be automatically enrolled in the Navitus MedicareRx (PDP) plan, which is offered by Navitus Health Solutions and underwritten by Dean Health Insurance Inc., a federally qualified Medicare contracting prescription drug plan.

The prescription drug coverage under this program is Medicare Part D coverage. In addition, supplemental "Wrap" coverage, which pays secondary to the Medicare Part D plan, is also provided. A retiree's monthly health insurance premium includes a portion that applies to this program's coverage. Retirees may choose to enroll in another

Medicare Part D plan, but it is not recommended or required. Retirees who choose to enroll in another Medicare Part D plan will be dis-enrolled from the Navitus MedicareRX (PDP) plan. However, they will still maintain the supplemental “Wrap” coverage, which will be secondary to the other Medicare Part D plan. There is no partial premium refund for enrolling in another Medicare Part D plan.

A copy of the *Medicare Eligibility Statement* is available in Appendix A.