

Dear Retiree:

As you approach your 65th birthday, you will begin to receive Medicare enrollment information from CMS (Center for Medicare and Medicaid Services). It is a requirement that all retirees and their spouses enroll in both Medicare Parts A and B when they become eligible. Because your prescription drug benefit meets or exceeds the Medicare Part D drug benefit, you should not enroll in Part D at this time. (You will receive a letter of Creditable Coverage annually from SISC, which exempts you from any late enrollee penalties should you wish to enroll in Part D in the future.)

Medicare Part A (Hospital Coverage) helps pay for inpatient hospital charges and may be earned “premium free” through qualified employment. Medicare Part B (Medical Coverage) helps pay for physician charges, outpatient x-ray and laboratory charges and many other medical services. Medicare Part B cannot be earned “premium free” through employment. It must be purchased by the individual.

If a retired person is a covered dependent of an actively employed (not retired) subscriber, it is not necessary to enroll in Medicare Part B until the coverage on the spouse’s active group policy ends upon retirement. In this case, the Social Security Administration will allow a special enrollment period for Medicare Part B.

If you do not enroll in Part A and/or Part B **your benefits will not change**; however, you will be moved to another group number with a higher premium. Your health insurance provider is requesting a copy of your Medicare card, and you may need to complete a retiree enrollment form. Any change to your premium will be calculated and an adjusted form and invoice (if applicable) will be sent to you.

If you have any questions, please call me at 805-389-2100 xt 1164 or email me at marce@pleasantvalleysd.org.

Sincerely,

Marce Arce
Employee Benefits Specialist

