

## Medicare Minute Script – March 2018

### How Medicare Works with Federal and Military Benefits

Medicare coverage works differently with other kinds of insurance, and today you will learn how it works with federal and military benefits.

#### **Point 1: Understand how Medicare works with Federal Employee Health Benefits.**

Non-military federal employees are often eligible for health insurance from Federal Employee Health Benefits (FEHB). If you continue to work as a federal employee after becoming eligible for Medicare, and you enroll in Medicare and keep your FEHB health plan, the FEHB plan is your primary insurance. This means it pays first on health insurance claims. Medicare is secondary, meaning that it pays all or part of what the primary insurance did not cover. Once you retire, if you take Medicare Parts A and B and keep your FEHB retiree coverage, Medicare will pay primary and your FEHB plan will pay secondary. If you choose to turn down Medicare coverage or to enroll only in Medicare Part A and not Part B, your FEHB coverage will remain primary. This is different from most private sector retiree plans, in which retiree coverage stops paying primary even for someone who declines Medicare Part B. As a result, some federal retirees choose to keep their FEHB retiree plan and decline Medicare Part B. You should evaluate your costs and benefits before deciding to turn down Part B. If you delay Medicare enrollment, but eventually take Part B, you will have to pay a penalty in addition to your Part B premium. The penalty will increase with the amount of time that you are eligible for Medicare but delay Part B enrollment.

#### **Point 2: Understand how Medicare works with TRICARE.**

If you are an active duty service member or active duty family member who has both TRICARE and Medicare (for example, if you are the spouse of an active duty service member and you qualify for Medicare based on age or disability), TRICARE is your primary insurance and Medicare pays secondary. If you are no longer active duty, and you are a military retiree or dependent who is eligible for TRICARE for Life (TFL), you are required to take Medicare if you are eligible for it. TFL acts as a supplement to Medicare, meaning that Medicare is the primary payer for Medicare-covered services, and TFL usually pays any remaining expenses, including deductibles and coinsurances, up to the Medicare-approved amount.

TFL also offers a Senior Pharmacy Program, which allows members to obtain low-cost prescription medications from the National Mail Order Pharmacy and TFL network and non-network civilian pharmacies. There is no enrollment fee for this prescription drug program. This coverage is considered creditable, meaning it is as good as or better than the Medicare prescription drug benefit. This means that if you have TFL prescription drug coverage, you can choose to delay enrolling in Medicare Part D without penalty.

#### **Point 3: Understand that Medicare does not coordinate with Veterans Affairs (VA) benefits.**

You can have both Medicare and VA benefits. However, Medicare and VA benefits generally do not

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work together. With very few exceptions, in order for Medicare to cover your care, you must receive care at a Medicare-certified facility that works with your Medicare coverage. In order for VA benefits to cover your care, you must generally receive health care services at a VA facility. Many veterans use their VA health benefits to get coverage for health care services and items not covered by Medicare.

Some veterans only use their VA drug coverage to get their medications. Since VA drug coverage is considered creditable, if you have VA drug benefits, you can delay enrolling in Medicare Part D without penalty. Remember that since VA benefits do not coordinate with Medicare, you will likely only be able to get VA-covered drugs at VA pharmacies.

**Take Action:**

1. Understand what kinds of insurance you have and how they work together. You can contact your benefits coordinator to learn about your federal or military benefits and call 1-800-MEDICARE to learn about your Medicare coverage.
2. If you need help paying Medicare costs, contact your State Health Insurance Assistance Program (SHIP) to find out about any cost-saving benefits you might be eligible for. SHIP can also provide one-on-one counseling and assistance in understanding how Medicare works for you. Contact information for your SHIP is below.
3. Contact your Senior Medicare Patrol if you receive any notices or bills that seem suspicious. SMP representatives can teach you how to spot and protect yourself from potential Medicare fraud.

Local SHIP Contact Information	Local SMP Contact Information
<p><b>SHIP toll-free:</b></p> <p><b>SHIP email:</b></p> <p><b>SHIP website:</b></p> <p><b>To find a SHIP in another state:</b> Call 877-839-2675 or visit <a href="http://www.shiptacenter.org">www.shiptacenter.org</a>.</p>	<p><b>SMP toll-free:</b></p> <p><b>SMP email:</b></p> <p><b>SMP website:</b></p> <p><b>To find an SMP in another state:</b> Call 877-808-2468 or visit <a href="http://www.smpresource.org">www.smpresource.org</a>.</p>
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