

Lois Mills of Travers O'Keefe supplied the following answer to the question of a member approaching 65 but not yet retiring. Others may be interested.

The member asked:

Do we have a policy on Medicare/Cigna dual coverage or do I stay totally in Cigna until I retire?

Lois answered:

[The member] should stay with CIGNA totally until he retires. He still should contact social security about his benefits since he will be turning 65, but there really is no need for him to pay for Part B and Part D coverage when he is covered comprehensively through the CIGNA plan. Even if he were to elect all parts of Medicare, CIGNA would be the primary coverage and since the benefits are better than Medicare, Medicare would not pay out on anything. The only other consideration is if an employee is not receiving Medicare prior to their retirement, once they become entitled to Medicare benefits COBRA, if elected, would terminate for them. Since the cost of the CIGNA plan is more than Medicare Supplement plans, I do not imagine this would be an issue, but I wanted to mention it nonetheless.

There are now three parts to Medicare, Part A (hospitalization), Part B (major medical) and Part D (prescriptions). There is no charge for Part A and it is automatic when someone is receiving Age 65 Medicare benefits. Part B and Part D are optional and there are premium dollars attached to them. If you are an active employee and covered under a group employer plan ... you can elect to waive Part B and Part D coverage. Once your employment ends, you can then elect to enroll in Part B and Part D and would be allowed to join under a SEP (special enrollment period) with no penalty.