



Health Benefits Programs and Medicare Parts A & B for Retirees

Information for:
State Health Benefits Program (SHBP)
School Employees' Health Benefits Program (SEHBP)

See the *Medicare & You 2018* handbook (available from Social Security at www.medicare.gov or call 1-800-633-4227) for a detailed description of eligible Medicare benefits or see your *Summary Program Description* for additional information.

MEDICARE AND YOUR HEALTH PLAN

Your choice of a medical plan in retirement is a personal decision based on your needs and the needs of your family. Even though your health benefits program offers several medical plans administered by Horizon Blue Cross Blue Shield of New Jersey and Aetna, no one plan is best suited for everyone, especially when an individual becomes eligible for Medicare. Copayments, deductibles, prescription drug costs, and premiums (for retirees who pay the full cost of coverage) vary with each plan; be sure to review all the available plans:

Aetna Plan Design

- Aetna Freedom10
- Aetna Freedom15
- Aetna HMO
- Aetna1525

Horizon Blue Cross Blue Shield of New Jersey Plan Design

- NJ DIRECT10
- NJ DIRECT15
- NJ DIRECT1525
- NJ DIRECT2030
- Horizon HMO
- Horizon HMO1525
- Horizon HMO2030

Check with your medical providers to find out which plans they accept. If any of your doctors do not accept Medicare, all expenses incurred for services rendered by these doctors are not eligible for coverage under your medical plan and will not be paid.

The charts in this fact sheet provide an easy way to compare the benefits of Medicare and the plans offered by the health benefits program by summarizing what each plan provides for a specified service. The benefits listed on the charts are selected as those most likely to be of interest to you. To be eligible for these benefits, both Parts A and B of Medicare must be obtained once you become Medicare-eligible.*

AETNA

Under Aetna plans, the coverage provided is a Medicare Advantage plan, which means that eligible

claims are paid by the medical plan. You do not need to coordinate coverage between Medicare and Aetna.

- Aetna plans are combined with Medicare and pay eligible expenses directly, replacing the need for claims to first be paid by Medicare and then by a secondary plan.

NJ DIRECT MEDICARE ADVANTAGE PLANS

Under Horizon Medicare Advantage NJ DIRECT10 and Horizon Medicare Advantage NJ DIRECT15, eligible claims are paid by the medical plan. You do not need to coordinate coverage between Medicare and Horizon.

- These plans are combined with Medicare and pay eligible expenses directly, replacing the need for claims to first be paid by Medicare and then by a secondary plan.

For more information about Medicare Advantage plans, visit our website at:

www.nj.gov/treasury/pensions

NJ DIRECT/Horizon Medicare Supplement Plans

Under NJ DIRECT1525, NJ DIRECT2030, Horizon HMO, Horizon HMO1525, and Horizon HMO2030 (in-network), claims are coordinated by first submitting them to Medicare. This coordination of benefits with Medicare is handled by NJ DIRECT/Horizon.

*If you are eligible but did not obtain or dropped Medicare coverage, your health benefits will be terminated. Please contact your local Social Security office to obtain or reinstate your Medicare coverage. Open enrollment for Medicare is held from January 1, 2018, through March 31, 2018, with an effective date of July 1, 2018.

Benefits and plan procedures remain the same as they did prior to enrolling in Medicare; simply pay the normal copayments to the provider. The deductibles and coinsurance required by Medicare will be paid in full by your medical plan.

Under NJ DIRECT1525, NJ DIRECT2030, Horizon HMO, Horizon HMO1525, and Horizon HMO2030 out-of-network coverage, claims are coordinated by first submitting them to Medicare. Unreimbursed expenses may then be sent to NJ DIRECT/Horizon by Medicare for further reimbursement. You may still have out-of-pocket expenses such as deductibles, coinsurance, and costs above reasonable and customary allowances.

- **NJ DIRECT1525, NJ DIRECT2030, Horizon HMO, Horizon HMO1525, and Horizon HMO2030** will not pay for benefits which should have been paid by Medicare.

Under these plans, if NJ DIRECT/Horizon does not receive your Medicare claim information automatically, you must submit a *Medicare Summary Notice* directly to your plan (this comes with your Medicare reimbursement). Be sure your physician's or provider's name is clearly indicated on the *Medicare Summary Notice*.

A Note About Medicare Part D

Retired members of the SHBP/SEHBP who are eligible for Medicare are enrolled by the SHBP/SEHBP in Medicare Part D prescription drug coverage under the OptumRx Medicare Prescription Plan. Enrollment in the OptumRx plan is automatic and the plan design maintains the same copayments and out-of-pocket maximums of non-Medicare retirees.

Participating Providers

To find a participating physician contact the plans directly:

- NJ DIRECT/Horizon plans: 1-800-414-7427 or online at: www.horizonblue.com/shbp
- Aetna plans: 1-866-234-3129 or online at: www.aetna.com/statenj

Important Note: If a provider is not registered with or opts out of Medicare, no benefits are payable under the SHBP/SEHBP for the provider services. The charges would not be considered under the medical plan, and the member will be responsible for the charges.

This fact sheet has been produced and distributed by:

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SHBP MEMBER CLAIMS ELIGIBLE FOR CALENDAR YEAR 2018 UNDER MEDICARE PART A HOSPITAL INSURANCE AND YOUR RETIRED HEALTH BENEFITS PLAN						
SERVICE	BENEFIT	MEDICARE PAYS	AETNA MEDICARE ADVANTAGE PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	HORIZON MEDICARE ADVANTAGE PLANS NJ DIRECT10 NJ DIRECT15	NJ DIRECT/ HORIZON MEDICARE SUPPLEMENT PLANS IN-NETWORK NJ DIRECT1525 NJ DIRECT2030 Horizon HMO Horizon HMO1525 Horizon HMO2030	NJ DIRECT/ HORIZON MEDICARE SUPPLEMENT PLANS OUT-OF-NETWORK NJ Direct1525 NJ DIRECT2030
Hospitalization — Semi-private room and board; including routine general nursing care, operating and recovery rooms, anesthesia, X-rays, lab tests, oxygen, drugs, and dressings.	First 60 days.	All but \$1,340.	100% of eligible charges.		All eligible charges not covered by Medicare.	After a \$200 deductible per hospital stay ² (\$500 for NJ DIRECT2030) NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare, subject to the annual maximum.
	61st through 90th day.	All but \$335 per day.				
	91st through 150th day.	All but \$670 per day.				
	After 150th day.	Nothing.				
Post-Hospital Skilled Nursing Facility Care — This is not nursing home care. Services include room and board, routine nursing care, and physical, occupational, and speech therapies.	First 20 days.	100% of approved amount.	100% of eligible charges.		N/A (covered by Medicare)	N/A (covered by Medicare)
	21st through 100th day.	All but \$167.50 per day.	100% of eligible charges.		All eligible charges not covered by Medicare.	After \$200 deductible, NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare; up to 60 days to annual maximum, after 60 days — nothing.
	After 100th day.	Nothing.	100% of eligible charges through the 120th day.		Precertification required based on Horizon BCBSNJ review of medical appropriateness and eligibility.	
Hospice Care — Nursing care, physician services, counseling services, respite care, medical applications and supplies, short-term inpatient care, health aide services, and homemaker services.	Covered if doctor certifies need.	All but limited cost per outpatient prescription drugs and inpatient respite care. Inpatient room and board services are generally not covered.	Prescription Drugs for symptom control and pain relief, short-term respite care, and home care are covered from any Medicare-certified hospice program. Hospice doctor can be in- or out-of-network provider.		Eligible charges not covered by Medicare, including prescription drugs, respite care, and inpatient room and board.	After \$200 deductible, NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare, including outpatient prescription drugs, inpatient respite care, and inpatient room and board.

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Post-Hospital Skilled Nursing Facility Care — This is not nursing home care. Services include room and board, routine nursing care, and physical, occupational, and speech therapies.	First 20 days.	100% of approved amount.	100% of eligible charges.	N/A (covered by Medicare)	N/A (covered by Medicare)
	21st through 100th day.	All but \$167.50 per day.	100% of eligible charges.	All eligible charges not covered by Medicare.	After \$200 deductible, ² NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare; up to 60 days to annual maximum, after 60 days — nothing.
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SHBP MEMBER CLAIMS ELIGIBLE FOR CALENDAR YEAR 2018 UNDER MEDICARE PART B MEDICAL INSURANCE AND YOUR RETIRED HEALTH BENEFITS PLAN					
SERVICE	MEDICARE PAYS	AETNA MEDICARE ADVANTAGE PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	HORIZON MEDICARE ADVANTAGE PLANS NJ DIRECT10 NJ DIRECT15	NJ DIRECT/ HORIZON MEDICARE SUPPLEMENT PLANS IN-NETWORK NJ DIRECT1525 NJ DIRECT2030 Horizon HMO Horizon HMO1525 Horizon HMO2030	NJ DIRECT/ HORIZON MEDICARE SUPPLEMENT PLANS OUT-OF-NETWORK NJ Direct1525 NJ DIRECT2030
Medical Expenses — Physician's care, including surgeon's and assistant surgeon's fee.	80% of approved amount after \$183 Medicare deductible. ¹	100% of eligible charges subject to plan copayments.	100% of eligible charges subject to plan copayments.	100% of eligible charges not covered by Medicare subject to plan copayments.	After deductible NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ²).
Outpatient Mental Health Services	80% of approved amount.	100% of eligible charges subject to plan copayments.	100% of eligible charges subject to plan copayments.	NJ DIRECT/Horizon covers 100% of eligible charges subject to plan copayments.	After deductible NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ²).
Durable Medical Equipment	Full cost of services. 80% of approved amount.	100% of eligible charges.	100% of eligible charges.	NJ DIRECT/Horizon — covered at 90% of eligible charges not covered by Medicare. Horizon HMO — covered at 100% after \$100 deductible.	After deductible NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ²).

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SERVICE	MEDICARE PAYS	AETNA MEDICARE ADVANTAGE PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	NJ DIRECT/ HORIZON MEDICARE SUPPLEMENT PLANS IN-NETWORK NJ DIRECT10 NJ DIRECT15 NJ DIRECT1525 NJ DIRECT2030 Horizon HMO Horizon HMO1525 Horizon HMO2030	NJ DIRECT/ HORIZON MEDICARE SUPPLEMENT PLANS OUT-OF-NETWORK NJ Direct1525 NJ DIRECT2030
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Durable Medical Equipment	Full cost of services. 80% of approved amount.	100% of eligible charges.	NJ DIRECT/Horizon — covered at 90% of eligible charges not covered by Medicare. Horizon HMO — covered at 100% after \$100 deductible.	After deductible NJ DIRECT10 pays 80% and NJ DIRECT15, 1525, and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ²).
<p>¹ Provider must accept Medicare.</p> <p>² Annual Maximum out-of-pocket expenses for coinsurance for all eligible charges is \$2,000 per individual for NJ DIRECT10, 15, 1525, and \$5,000 for NJ DIRECT2030.</p> <p>Note: The standard Part B premium amount in 2018 will be \$134 per month (or higher depending on your income). However, most people who pay the Part B premium through their monthly Social Security benefit will pay less (\$130 per month on average). Social Security will tell you the exact amount you will pay for Part B in 2018, which is based on several factors: income; the timeliness of application for Part B; and the date when deductions began for Part B. For more information about premiums, call Social Security at 1-800-772-1213 or visit the Centers for Medicare & Medicaid Services website at: www.cms.hhs.gov</p>				