



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 2020* 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 (Horizon), 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:

Horizon Plan Design

- 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 eligible for Medicare.*

Aetna Medicare Advantage Plans

Aetna serves as the carrier for the SHBP/SEHBP Medicare Advantage Plans. 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/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.

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.

You may still have out-of-pocket expenses such as deductibles, coinsurance, and costs above reasonable and customary allowances. These plans will not pay for benefits which should have been covered by Medicare.

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*.

Participating Providers

To find a participating physician, contact the plans directly:

- NJ DIRECT/Horizon plans: 1-800-414-7427 or

*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, 2020 through March 31, 2020 with an effective date of July 1, 2020.

online at: www.horizonblue.com/shbp

- Aetna Medicare Advantage plans:
(SHBP) 1-866-234-3129
(SEHBP) 1-866-816-3662

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.

MEDICARE COVERAGE IS REQUIRED IF ELIGIBLE

Upon retirement, if you and/or your dependent are age 65 or have been on Social Security Disability for 24 months or more, you are required to enroll in Medicare Parts A and B. If you have not enrolled in both parts of Medicare, you should contact Social Security to apply 90 days prior to your retirement date.

In most cases, the Centers for Medicare and Medicaid Services (CMS) will advise the SHBP/SEHBP of your enrollment. If you are retiring from a non-participating location, or receive correspondence from the SHBP/SEHBP requesting proof of your Medicare enrollment, you are required to provide a photocopy of your Medicare ID card, or a letter of confirmation from Social Security stating the effective dates of Medicare Parts A and B and your Health Insurance Claim Number (HICN) or Medicare Beneficiary Identifier (MBI) number.

If you and/or your dependents become eligible for Medicare and do not enroll in Parts A and B, your SHBP/SEHBP coverage will be terminated. Once terminated, your coverage will only be reinstated prospectively after the appropriate documentation is received.

If you are paying the full cost of your SHBP/SEHBP coverage, that cost generally decreases when you and/or your dependents enroll in Medicare Parts A and B because most medical plans charge lower premiums for Medicare-eligible members.

Proof of Medicare

If requested, a photocopy of your and/or your dependent's Medicare ID card, or a letter of confirmation from Social Security stating the effective dates of Medicare Parts A and B enrollment are required. If you are submitting a letter please make sure it includes your and/or your dependent's HICN or MBI number.

Reinstatement if Terminated

If you and/or your dependent are eligible for Medicare Parts A and B but fail to enroll, your SHBP/SEHBP coverage will be terminated. Once terminated, your coverage will only be reinstated once the appropriate documentation is received, and all reinstatements will be processed prospectively. If you have been terminated due to a lapse in your Medicare Part B premium, you will be reinstated prospectively unless a "good faith letter" from Social Security is provided.

Medicare Part D

Retired members of the SHBP or SEHBP who are enrolled in Medicare are automatically enrolled in the OptumRx Medicare Part D Prescription Drug Plan (PDP).

You may waive the OptumRx Medicare PDP only if you are enrolled in another Medicare Part D plan. To request that your coverage be waived, you must submit a Cancel/Decline/Waive Retired Coverage Form along with proof of other Medicare Part D coverage to the New Jersey Division of Pensions & Benefits (NJDPB).

If you enroll in another Medicare Part D plan, you will lose your prescription drug benefits provided by the SHBP/SEHBP; however, your medical benefits will continue.

Note: If you are enrolled in a Medicare Advantage Plan, you can only waive your prescription drug coverage for another group Medicare Part D plan. If you waive coverage for an individual Medicare Part D

plan, your SHBP/SEHBP Medicare Advantage Plan will be terminated. If you have previously waived your prescription drug coverage for another Medicare Part D plan, and you wish to re-enroll in the OptumRx Medicare PDP, you must send proof of your termination from the other Medicare Part D plan. Acceptable proof is a letter from the other Medicare Part D plan confirming the date upon which you are disenrolled. We must receive this proof within 60 days of the termination from the other Medicare Part D plan.

This fact sheet has been produced and distributed by:

**New Jersey Division of Pensions & Benefits
P.O. Box 295, Trenton, NJ 08625-0295**

(609) 292-7524

For the hearing impaired: TRS 711 (609) 292-6683

www.nj.gov/treasury/pensions

Health Benefits Programs and Medicare Parts A & B for Retirees

This fact sheet is a summary and not intended to provide all information. Although every attempt at accuracy is made, it cannot be guaranteed.

SHBP/SEHBP MEDICARE PART A HOSPITAL INSURANCE FOR CALENDAR YEAR 2020					
SERVICE	BENEFIT	MEDICARE PAYS	AETNA MEDICARE ADVANTAGE PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	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 \$1,364.	100% of eligible charges.	All eligible charges not covered by Medicare.	After a \$200 deductible per hospital stay ² (\$500 for NJ DIRECT2030) NJ DIRECT1525 and 2030 pay 70% of eligible charges not covered by Medicare, subject to the annual maximum.
	61st through 90th day.	All but \$341 per day.			
	91st through 150th day.	All but \$682 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 \$170.50 per day.	100% of eligible charges.	All eligible charges not covered by Medicare.	After \$200 deductible, NJ DIRECT1525 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 DIRECT1525 and 2030 pay 70% of eligible charges not covered by Medicare, including outpatient prescription drugs, inpatient respite care, and inpatient room and board.

SHBP/SEHBP MEDICARE PART B MEDICAL INSURANCE FOR CALENDAR YEAR 2020				
SERVICE	MEDICARE PAYS	AETNA MEDICARE ADVANTAGE PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	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 fees.	80% of approved amount after \$185 Medicare deductible.	100% of eligible charges subject to plan copayments.	100% of eligible charges not covered by Medicare subject to plan copayments.	After deductible NJ DIRECT1525 and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ¹).
Outpatient Mental Health Services	80% of approved amount.	100% of eligible charges subject to plan copayments.	NJ DIRECT/Horizon covers 100% of eligible charges subject to plan copayments.	After deductible NJ DIRECT1525 and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ¹).
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 DIRECT1525 and 2030 pay 70% of eligible charges not covered by Medicare (subject to reasonable and customary charges ¹).
<p>Note: Provider must accept Medicare for any of these services to be eligible for payment.</p> <p>¹ Annual Maximum out-of-pocket expenses for coinsurance for all eligible charges is \$2,000 per individual for NJ DIRECT1525, and \$5,000 for NJ DIRECT2030.</p> <p>Note: The standard Part B premium amount in 2020 will be \$144.60 per month (or higher depending on your income). However, most people who pay the Part B premium through their monthly Social Security benefit may pay less. Social Security will tell you the exact amount you will pay for Part B in 2020, 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>				