

NPUT Benefits At A Glance E-MAIL
NEW PALTZ UNITED TEACHERS BENEFIT TRUST FUND

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BULLETIN \ MEDICARE

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MEDICARE B OPTION AND REFUND

If you were receiving Social Security Disability (SSDI) for 2 years or about three months before you turn 65 you should receive your Medicare B card. Medicare A covers hospitals, labs, etc. and Medicare B covers physicians. If you are 65 and no longer employed by the district, you will automatically come under Medicare B as your primary coverage and Empire will be secondary. If you are 65 and still employed by the district then Empire remains your primary.

The Medicare B premium that is deducted from your Social Security will be refunded to you IF YOU SUBMIT a copy of your Medicare B card to the District's Business Office. The District may only refund retroactively 6 months - so don't wait.

DO NOT TURN DOWN YOUR MEDICARE B CARD. IF YOU REJECT MEDICARE B BECAUSE YOU HAVE A PRIVATE HEALTH PLAN (Empire, MVP, etc) you may find that your private plan pays what they normally would LESS what Medicare B would have paid. To enroll in Medicare B at a later date you will pay the plan cost PLUS a 10 % penalty per year that you did not join.

If you are still employed by the District then Empire or MVP remain your primary, you may reject the Medicare B card until you stop working for the District. Then it is your responsibility to apply for Medicare B.

If you are on your spouse's health insurance, and if your spouse still works for the district and you are over 65 you will not receive the refund until your spouse retires from the district. Then you may receive the refund by submitting a copy of your Medicare B card and your spouse may do the same when he/she turns 65.

MEDICARE B AND IRMAA

Make sure you keep your annual Social Security statement (usually received in November) and subsequent January Social Security 1099 for the preceding year. The annual statement notifies you of the base Medicare B premium that may be claimed as noted above. The annual statement MAY also contain an additional Medicare surcharge to be deducted from your Social Security. If you are charged in excess of the base premium it is called the 'Income Related Monthly Adjustment Amount' (IRMAA) .

We have confirmed with the Business Office that IRMAA must be refunded to you as the base Medicare B premium is. For this IRMAA surcharge an annual claim must be made by you. The District will issue claim forms to be completed by April 30th and the refund sent by June 1st. This refund is in addition to the base Medicare B refund that is received each January and July and will be sent separately.

Please review your annual Social Security statement which is usually issued in November, unless you are just turning 65. Medicare B will be effective on the first day of the month that you turn 65. The IRMAA surcharge will vary from year to year depending on your taxable

income of two years earlier. If you filed an 'individual' tax return for 2013 with a modified adjusted gross income (MAGI) of \$ 85,000 or a 'joint' tax return with a MAGI of more \$ 170.000 it is reported in November 2014 that the IRMAA surcharge will apply to your Social Security deduction in 2015.

In Spring 2016, the District will issue a claim form to all retirees to assess if the IRMAA surcharge for 2015 is applicable. If you qualify, you will be asked to supply certain dated documents including the November 2014 Social Security Notice and the 2015 Social Security 1099 received in January 2016.