

Medicare Minute Script – March 2020 Medicare and Employer-based Coverage

Point 1: Understand the difference between primary and secondary insurance

When you have Medicare and another type of insurance, Medicare will either pay primary or secondary for your medical costs. Primary insurance pays first for your medical bills. Secondary insurance pays after your primary insurance. Usually, secondary insurance pays some or all of the costs left after your primary insurance has paid (for example, deductibles and copays).

Point 2: Know how Medicare works with job-based insurance.

Job-based insurance is coverage you have from your, your spouse's, and sometimes another family member's current work.

If you are eligible for Medicare because you are 65 or older:

- Job-based insurance is primary if it is from an employer with 20+ employees. Medicare is secondary.
- Job-based insurance is secondary if it is from an employer with fewer than 20 employees. Medicare is primary.

If you are eligible for Medicare because you've collected Social Security Disability Insurance (SSDI) for 24 months:

- Job-based insurance is primary if it is from an employer with 100+ employees. Medicare is secondary.
- Job-based insurance is secondary if it is from an employer with fewer than 100 employees. Medicare is primary.

If your job-based insurance will be primary, you may decide to delay Medicare enrollment because you already have primary coverage and do not want to pay the additional monthly Part B premium. **If your job-based insurance will be secondary**, you should enroll in Medicare Part B when you're eligible to avoid high costs for your care. If Medicare is supposed to be your primary coverage, your job-based coverage may provide little or no coverage if you are not enrolled in Medicare Part B.

If you are covered by job-based insurance, you usually have a Part B Special Enrollment Period to enroll in Part B that lasts up to eight months after you no longer have job-based coverage. **There is one exception:** If you are eligible for Medicare due to disability and you are covered by job-based insurance from a family member's work at a company with fewer than 100 employees, you are not eligible to use the Part B Special Enrollment Period.

Point 3: Know how Medicare works with retiree insurance and COBRA coverage.

Retiree insurance is a form of health coverage an employer may provide to former employees. Retiree coverage almost always pays second to Medicare. This means you need to enroll in Medicare to be fully covered.

COBRA is a federal law that extends the option to purchase coverage to employees and their spouses or dependents once the employee leaves the job or loses coverage for other reasons. COBRA always pays secondary to Medicare beginning when you are eligible for Medicare, even if you are not actually enrolled in Medicare.

- If you already have COBRA when you become Medicare-eligible, your COBRA plan is no longer obligated to keep you enrolled, so COBRA coverage usually ends the date Medicare Part A and/or Part B

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becomes effective. You should enroll in Part B right way because you do not get a Part B SEP when COBRA ends.

- If you already have Medicare Part A or Part B when you become eligible for COBRA, you must be allowed to enroll in COBRA.

You do not have a Part B Special Enrollment Period while or after you are covered by retiree or COBRA coverage. Timely Medicare enrollment is a key to preventing unnecessarily high out-of-pocket costs.

Take action:

1. If you have coverage in addition to Medicare, contact the Benefits Coordination & Recovery Center (BCRC) at 855-798-2627 to update your information.
2. If your other coverage will be secondary to Medicare, enroll in Medicare when you are first eligible to ensure you have primary coverage.
3. Contact your State Health Insurance Assistance Program (SHIP) for help understanding Medicare eligibility and how Medicare works with your other insurance.
4. Contact your Senior Medicare Patrol (SMP) if you suspect Medicare fraud, errors, or abuse.

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