Can I stay on my group benefits at Marquette University past age 65?

MEDICARE AND MARQUETTE UNIVERSITY INSURANCE
Yes. Your group health plan coverage administered by UMR will continue even though you work beyond age 65. While you remain covered as an active employee in one of the Marquette University group health plans, it is considered primary and pays claims before Medicare. Any remaining unpaid bills may be considered by Medicare for additional payment if you elected to enroll.

Will I incur a penalty if I do not sign up for Medicare at 65?
If you are covered by the group benefits at Marquette University, you will not incur a late enrollment penalty when you ultimately switch to Medicare. The important concept is going from coverage (Marquette University group plan) to coverage (Medicare). Medicare does not want to see gaps in coverage.

Can I contribute to an HSA if I enroll for Medicare?
You are NOT eligible to make Healthcare Savings Account (HSA) contributions if you are enrolled in any part of Medicare (part A, B or D). DO NOT enroll in any part Medicare if you are an active employee past age 65 that plans to continue to contribute to your HSA account. You can defer enrolling in any part of Medicare until the time you retire, and you will not be penalized for late Medicare enrollment.

Does Medicare cover prescription drugs?
Medicare Part D is the prescription drug plan (PDP) component of Medicare. These plans are run by private insurance companies that follow Medicare’s guidelines. It will be important to enroll in a PDP upon your separation from your group benefits from Marquette University. Delaying enrollment into Medicare Part D, and not having other creditable drug coverage, may result in penalties in the future.

Can Medicare deny my application?
Medicare cannot deny your application for enrollment. There are specific windows of time that Medicare has for enrollment depending on each person’s situation. If you are retiring from Marquette University at age 65 or older, getting enrolled in Medicare is fairly simple. If you elect to not enroll in Medicare after loss of group benefits, and want to enroll later, penalties may apply.

Does Medicare cover everything if I become ill?
Original Medicare will not cover all your medical expenses. Medicare generally covers about 80% of any given medical bill. That leaves 20% up to you, which is uncapped. There is no out-of-pocket maximum with Original Medicare. Other products exist to help cover the 20% gap. These are Medicare Supplement Plans and Medicare Advantage Plans. When leaving Marquette University group benefits for Medicare these plans are issued on a guaranteed acceptance basis. The timing is important so no gaps in coverage are created.

How soon do I need to begin the process to transition to Medicare?
It is best to begin this process 60 to 90 days prior to your retirement or separation date from Marquette University. Starting this process using shorter time frames, based on circumstance, will still work, but is not ideal. If one retires after 65 then the enrollment process happens by submitting two paper forms to Medicare. These forms (40b and 564) can be found online at www.medicare.gov or provided by our partners at Next Level Planning & Wealth Management. Please find their contact information below.
Can I use COBRA as my benefits until I go to Medicare?
You can continue your Marquette University benefits after retirement, assuming you are under 65, by using COBRA. This is a consideration for those who look to separate service later in the year when deductibles and out-of-pocket maximums have been meet. Once you reach age 65 you will need to leave COBRA and enroll in Medicare. If COBRA ends for you, and you are not yet 65, you will need to identify other insurance coverage.

What else should I consider or know?
Since Medicare only covers 80% of medical costs, everyone enrolling in Medicare should look to add secondary coverage in the form of a Medicare Supplement Plan or a Medicare Advantage plan. These are designed to build in financial caps to protect against a costly medical event. The flow chart below should help clarify your decision process. Please contact our partners at Next Level Planning & Wealth Management for additional guidance on your options. Please find their contact information below

Are there dental and vision plans I can enroll in once I reach age 65 and retire from Marquette University? Medicare does not cover dental, vision, or hearing services. If you wish, you can elect COBRA for Dental and Vision coverage as long as it lasts. Also, secondary plans in the marketplace have coverage options for these services available for purchase.

Medicare Eligibility and Medicare Entitlement
To be eligible for Medicare, an individual only needs to meet the requirements. Medicare eligibility doesn’t affect COBRA. To be entitled to Medicare, an individual not only meets the requirements but has also taken the necessary steps to enroll and is receiving benefits. Medicare entitlement may affect COBRA.

Note: An individual is considered to be entitled to Medicare as soon as he or she becomes enrolled in any part of Medicare.

Scenario: An individual enrolls in Medicare Part A, elects COBRA coverage and later enrolls in Medicare Part B.
Resolution: Because the individual was already enrolled in Medicare Part A, he or she was entitled to Medicare at the time of the COBRA election and is therefore eligible for dual coverage.

COBRA and Medicare Timelines
Note: Medicare entitlement, not Medicare eligibility, potentially affects COBRA. Any part of Medicare (i.e., Part A, B, C or D) may impact COBRA.

Medicare Entitlement Before COBRA Election
Scenario: Members become entitled to Medicare on or before the day they elect COBRA.
Resolution: They can be enrolled in both Medicare and COBRA.

Medicare Entitlement After COBRA Election
Scenario: Members become entitled to Medicare after electing COBRA.
Resolution: They can't be enrolled in both Medicare and COBRA. Their medical coverage through COBRA must be terminated.

Can I contribute to an HSA under the Marquette University medical plan is my spouse if covered under Medicare?
You would not be able to contribute for your spouse since they are on Medicare. You would be able to contribute for yourself if your plan is considered a High Deductible Health Plan.