

Juniata College

Overview of

Health Options in Retirement

- I. 1. COBRA (typically available for 18 months of eligibility; could be 24 or 36 months depending on circumstances)

Sample Rates (COBRA)

| | |
|-------------|------------|
| Employee | \$629.78 |
| Employee +1 | \$1,454.78 |
| Family | \$1,738.16 |

2. Spousal Employer Plans

3. Individual Medical Plans – various deductibles and coinsurance available through Highmark, Coventry, Geisinger Health Plan, UPMC and Aetna. Can be viewed through www.healthcare.gov

Sample Monthly Rates (Highmark PPO Community Blue)

| Age | PPO Blue (\$500 ded. – 90/10 coinsurance) | PPO Blue (\$1,500 ded. – 80/20 coinsurance) |
|-----|--|--|
| 50 | \$713.00 | \$475.00 |
| 55 | \$891.00 | \$594.00 |
| 60+ | \$1,084.00 | \$722.00 |

- II. Age 65 and above Medicare Eligible (www.medicare.gov) – Parts A & B. The 2016 Part B premium is \$104.90* per month (income based formula). There is a scale of income ranges and “what ifs” located at www.socialsecurity.gov/pubs/10536/html

1. Medicare Advantage programs from Freedom Blue, Geisinger Gold, Advantra, etc.
 - a. Rates/benefits: \$0 premium (High deductible options) to \$269.50 for comprehensive no deductible, low co-pay programs.
 - b. Combines medical (Part A and B) and prescription (Part D) benefits into one package.
2. PDP Plans: stand alone prescription plans available from numerous carriers
 - a. Deductibles, co-pays, coinsurance vary. The “donut hole” for 2016 is expenses from \$3,310 to \$4,850.
 - b. Premiums from 18.40 to \$149.60

**See attachment at end

Juniata College
Overview of
Health Options in Retirement (cont.)

3. Medigap Plans – supplement original Medicare part A & B
 - a. Standardized plans A, B, C, D, F, G, K, L, M, N
(<http://www.medicare.gov/Publications/Pubs/pdf/02110.pdf>)

Sample Rates (Highmark Medigap Plan F)

| Age | Rate |
|-----|----------|
| 65 | \$138.00 |
| 70 | \$167.60 |
| 75 | \$198.35 |
| 80 | \$226.85 |

4. Juniata sponsored Medigap plan through Hartford, employee eligible if hired before January 1, 1997.

If you have any questions after reviewing this document or would like more information about Retiree Health Options please contact the Juniata Human Resource Department.

*There are circumstances where Part B premium will be higher depending on enrollment status and income.

How Part D works for you.

You may have heard a lot of the gap in Part D prescription drug coverage. And you may wonder how that gap can cost you money. Although there will be positive changes in 2016, here's how Part D payments work:

Your premium

You pay this every month, unless you receive Part D coverage through a Medicare Advantage plan. Then, you pay only the Medicare Advantage premium.

Deductible up to \$360

If your plan has a deductible, you pay your yearly deductible until it is met. (It is important to note that many Part D plans do not have deductibles.)

Cost sharing from \$360 to \$3,310

Once you've paid your deductible, you'll pay a share of your expenses until total medication costs reach \$3,310. This cost-sharing is called a copay or co-insurance.

Your plan pays the rest.

The coverage gap

Under Medicare Part D, when your total costs reach \$3,310, you'll become responsible for all expenses until they reach \$4,850. This is the coverage gap, where the discounts and coverage discussed on page 7 start to work for you.

Exceeding \$4,850

When you've reached \$4,850 in total prescription drug expenses for the year, your coverage begins again and you pay the set copayment of \$2.50 for generic and \$6.30 for brand name prescription drugs. Your plan pays the rest.

More good news about Part D.

The Part D "Donut Hole" Will Eventually Be Filled

Starting with the new discounts, the health care legislation will eliminate the Part D Coverage gap over the next 5 years. Between now and 2020, the coverage gap will gradually be eliminated. While this may sound like a long time, the savings will start now and continue to grow. The average savings while in the coverage gap is estimated to grow annually to \$3,000 by 2020.