



ANNE ARUNDEL COUNTY PUBLIC SCHOOLS

To: Active Employees/Spouse Over Age 65 or Under Age 65 and Medicare Disabled

Date: 2018

File Code

From: Theresa Dunn
Benefits Manager

Instructions:

Subject: Decision Regarding Healthcare Benefits

Copies to:

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) states in summary: Medicare eligible active employees (and spouse if applicable), must decide between Medicare (Part B) or AACPS sponsored healthcare coverage as their primary healthcare provider. This law permits you, therefore, to remain fully covered under the active AACPS medical plan while deferring Medicare Part B enrollment without future penalty.

AACPS does not provide Medicare Supplemental coverage to active employees and their spouses. AACPS does provide Medicare Supplemental options to eligible retirees.

If AACPS sponsored healthcare is selected as the primary healthcare coverage (which the HR/Benefits Office recommends), the employee and/or spouse should not enroll in Medicare (Part B). By electing the AACPS sponsored healthcare, the employee and/or spouse enjoy the benefits of participating in the active healthcare program at a lower cost. Please be sure to complete any necessary paperwork for Medicare, which advises of the delay of the commencement of this benefit.

Please be advised that employees retiring at 65 or older who are eligible for the AACPS retiree healthcare program (and spouse) must have Medicare Part B in place at time of retirement to participate in the AACPS retiree Medicare supplemental plan options. For example, a July 1 retiree who is 65 or older, should apply for Medicare Part B coverage 90 days prior to their retirement date to be effective July 1.

If Medicare (Part B) is selected by the employee (or spouse) while actively employed (which is not recommended), the AACPS medical plan must continue to remain as the primary insurance. Participants should not present their Medicare card to providers while covered under the AACPS medical plan.

Based on the above, I/We have decided on the following healthcare coverage:

AACPS sponsored healthcare

Medicare (Part B)

Today's Date: _____ Print Name: _____

Employee Signature: _____

Employee SSN: _____ Employee Date of Birth: _____

For spouse over 65:

Spouse Signature: _____ Spouse Date of Birth: _____

Spouse SSN: _____



Dear Employee or Dependent enrolled in an Anne Arundel County Public Schools (AACPS) medical plan:

SUBJECT: Tax Equity and Fiscal Responsibility Act (TEFRA)

Our records identify you (or an eligible dependent spouse) are either approaching the age of 65 in calendar year 2018 or are currently over age 65.

If you are covered under an AACPS sponsored medical plan and you remain actively employed with AACPS after age 65 or if you are under age 65 and have a dependent spouse over age 65, TEFRA (referenced above) requires the employer to be the primary insurance. Therefore, when you or your dependent spouse become Medicare eligible, you will automatically be enrolled in Medicare Part A, but you may defer Part B (without penalty) while you are actively employed. You may visit Social Security.gov for Medicare information or contact the local Annapolis office (at 185 Harry S. Truman Pkwy, Suite 114, Annapolis, MD 21401, 1-888-840-0684) for further guidance.

Your AACPS medical coverage remains your primary plan while actively employed. When you retire, you or your dependent spouse, if applicable, must activate your Medicare Part B with the Social Security Administration (without penalty). Part B must be in place effective the month that the employee retires (for the employee or the spouse as applicable) in order to continue participation in the AACPS retiree healthcare program.

Please note if you elect Part B benefits (not recommended) and will be retaining your active AACPS medical coverage, only present your AACPS medical card at your appointments. Our plan is primary for these bills while you remain actively employed. Please contact our office immediately at 410-222-5219 if you are selecting Part B coverage for more details.

If you have not filled out the enclosed memo "Decision Regarding Healthcare Benefits" for our files, please complete the information requested, retain a copy, and basketmail this form to HR/Benefits or fax your original to the secure Benefits fax at 443-458-0669. You may be required to furnish a copy of this memo to Social Security when you waive or apply for Part B.

Please note: the Anne Arundel County Department of Aging is an excellent local resource for providing Social Security/Medicare guidance. They can be contacted at 410-222-4464 between the hours of 8:00-4:30 p.m. They are located at the Heritage Complex, 2666 Riva Road Ste. 400, Annapolis, MD 21401.

If you have any questions or concerns about this information, please contact Cynthia Archie or Theresa Dunn in HR/Benefits at 410-222-5221/5206.

Sincerely,

Theresa Dunn

Theresa Dunn, Benefits Manager

Memo on back →