

Moving from a Vermont Health Connect Plan to Medicare

You have a health care plan you like through Vermont Health Connect (VHC). You just became or are about to become eligible for Medicare. **Do you need to sign up for Medicare?** Keep reading to find out.

➤ When do I become eligible for Medicare?

- You become eligible in the month you turn 65, unless your birthday is on the first day of the month. In that case, you become eligible for Medicare the month before you turn 65 **or**
- If you receive Social Security Disability Benefits (SSDI), you will be enrolled in Medicare automatically 24 months after you became eligible for SSDI.

➤ Medicare Part A

- Medicare Part A covers hospital care, care in a skilled nursing facility, hospice care and some home health care.
- If you or your spouse worked 40 calendar quarters (a total of 10 years) in jobs that paid Social Security taxes in the U.S., you should be eligible for **premium-free** Medicare Part A. Premium-free means that you don't have to pay each month to have coverage.

Most people are eligible for premium-free Part A. To find out if you are:

- call the Social Security Administration at 1-800-772-1213 or
- go to www.ssa.gov.

➤ Medicare Part B and Part D

- Medicare Part B covers some doctors' services, outpatient care, medical supplies (like wheelchairs and walkers) and preventive services. If you don't sign up for Medicare Part B when you become eligible, you may have to pay a **late enrollment penalty**. The cost of your monthly premium for Part B may go up 10% for each full 12-month period that you could have had Part B but didn't sign up for it. You will have to pay this penalty every month as long as you have Medicare Part B.
- Part D helps cover the cost of prescriptions. Part D also has a **late enrollment penalty**.

➤ Can I keep my VHC health plan instead of Medicare?

In most cases, the answer is no.

- If you are eligible for premium-free Part A:
 - You can't get subsidies (also known as tax credits) to help pay for your VHC plan, even if you haven't enrolled in Medicare Part A. You will have to pay the full price of your VHC plan. In 2018, the price for an individual silver plan through VHC without subsidies is about \$530 per person, per month.
 - Private insurance companies can't sell you plans that offer the same coverage you can get from Medicare. So you couldn't renew or buy a VHC plan. You could be left without health insurance.
- If you are **NOT eligible for premium-free** Part A, you can be on a VHC plan and still get subsidies. For more information, contact us at the [Office of the Health Care Advocate](#) at 1-800-917-7787.

➤ I have SSDI and was automatically enrolled in Medicare, but I like my VHC plan. Can I drop Medicare?

- If you drop Medicare, you also have to drop your retirement or disability benefits. And you have to pay back any retirement and disability benefits you got before you dropped Medicare.

➤ Can I stay on my VHC plan if I am eligible for Medicare but don't enroll?

- You can stay on your VHC plan for the rest of the year. But once you become eligible for premium-free Medicare Part A, **you can't get subsidies**.
- If you get subsidies after you become eligible for Medicare, you may have to pay back some or all of the subsidies when you file taxes.
- Private insurance companies can't sell you plans that offer the same coverage you can get from Medicare. So you couldn't renew or buy a VHC plan. You could be left without health insurance.

➤ What happens if I don't tell my VHC plan that I have Medicare?

This is a bad idea.

- When you enroll in Medicare, Medicare becomes your primary insurance and VHC becomes secondary.
- If your VHC plan insurance company doesn't know about your Medicare coverage, it will pay your claims. **When the company finds out that you have Medicare, it can take back the money it has paid to your providers.** Your providers will then have to bill Medicare. If the claims are older than one year, Medicare probably will not pay. You could be responsible for paying the bills.

➤ When do I sign up for Medicare?

- When you become eligible for Medicare, you have a 7-month **Initial Enrollment Period**. This period starts 3 months before the month you turn 65 and ends 3 months after the month you turn 65.
 - For example: John turns 65 in July. His Initial Enrollment Period starts on April 1 and ends on October 31.
- When your coverage starts depends on when you sign up. If you sign up during the first three months of your Initial Enrollment Period, your coverage will start on the first day of the month you turn 65. This chart shows when your Medicare coverage will start if you sign up the month you turn 65 or later.
 - For example: John turns 65 on July 10. If he signs up for Medicare in April, May or June that year, his coverage will start on July 1.

- If you miss your **Initial Enrollment Period**, you can't enroll until the **General Enrollment Period (GEP)** the following year. The GEP starts on January 1 and ends on March 31 every year.
- When you sign up during the GEP, you won't be covered by Medicare until July 1. This means that you may have a gap in your health care coverage and may have to pay a late enrollment penalty.

If you sign up for Part A/ B in this month:	Your coverage starts:
The month you turn 65	1 month after you sign up
1 month after you turn 65	2 months after you sign up
2 months after you turn 65	3 months after you sign up
3 months after you turn 65	3 months after you sign up
During the January 1–March 31 General Enrollment Period	July 1

➤ Can I get help paying for Medicare premiums and other out-of-pocket costs?

- **Vermont has programs to help with Medicare costs.** To see if you can get help, call 1-800-250-8427. Ask for a 202 Med application. You can also get the [application online at www.greenmountaincare.org](http://www.greenmountaincare.org). Fill out the application and mail or give it to the Department for Children and Families.
- If you need help paying Medicare costs, you should apply even if you already have Medicaid.

Source: Office of the Health Care Advocate at Vermont Legal Aid and SHIP (the State Health Insurance Assistance Program). Updated May 2018.