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West Islip Retired Teachers Association

December 14, 2020

STOP AND READ THIS IMPORANT MESSAGE!!

DID YOU SIGN UP FOR A MEDICARE ADVANTAGE PROGRAM?

Have you forfeited your current insurance, including the NYSHIP Empire Plan?
This letterl contains Information for Retirees who are currently enrolled in the NYSHIP Empire Plan.

MEDICARE AND THE NYSHIP EMPIRE PLAN

We warned Empire Plan enrollees in the October 2020 issue of the WIRTA News **NOT** to make any changes. If you listened to Joe Namath and the other countless TV hawks and not us, you may have created a non-reversable problem. Those ads are designed to lead viewers to believe that they are representing Medicare or a non-profit organization such as the Medicare Rights Center. In reality, they are ALL representing specific insurance companies, regardless of the Medicare sounding names they splash on your TV screen.

The ads are very enticing, offering wonderful benefits but the big caveats are “**IF** you are eligible” and the cover phrase that says you “may be eligible.” Eligibility is dependent on personal income, personal health status and pre-existing conditions, as well as the geographical area and the usage history of residents of that area in which you live.

In order to provide some information for our members, WIRTA followed up with the Medicare Rights Center and with the West Islip School District regarding the NYSHIP Empire Plans.

There are several factors that affect your ability to change any option you made to enroll in one of the advertised plans—Medicare rules and the NYSHIP Empire Plan regulations or, in the case of individuals not currently covered by the West Islip School district, requirements of that specific plan.

IF YOU OPTED TO ENROLL IN SUCH PLANS--MEDICARE ADVANTAGE PLAN, MEDICARE GAP AND/OR PRESCRIPTION PART D PLAN --AND YOU HAVE NOT PAID THE PREMIUMS, TRY TO CANCEL THE PLAN(S) IMMEDIATELY.

Scenarios that individuals might have opted for:

1. Maintaining enrollment in traditional Medicare Part B and choosing to enroll in a specific Medicare Gap policy, such as those offered through the AARP, or Prescription Coverage through a Part D plan other than the NYSHIP Empire Plan. From the Medicare Rights Center, a non-profit not affiliated with Medicare or any insurance company, we learned that by Medicare regulations, if you have paid the premiums the new plan is now in effect for **one year** and you cannot change this until the open enrollment period in the fall of 2021. You will automatically be dropped from the NYSHIP Empire Plan for 2021. If you have not paid the premiums for a new plan, try to cancel it NOW.
2. Enrolling for one of the Medicare Part C Advantage Plans that have promised everything but excellent health care coverage, will cause you to be dropped from the NYSHIP Empire Plan for 2021. By Medicare rules, you may opt out of the Medicare Part C Advantage plan during the next quarter and return to traditional Medicare Part B coverage effective April 1, 2021. The Medicare Rights Center makes does not offer advice about re-enrolling in previous health insurance plans, such as the Empire Plan.

WITA has always advised potential retirees to carry the NYSHIP Empire Plan into retirement even if they had the option for other coverage through a spouse. But that was with the understanding that they would be continually covered by health insurance until some change necessitated their re-enrollment in the Empire Plan. However, the creation of the Medicare Prescription Part D in the Bush 2006 Medicare Modernization Act changed the playing field. Unlike other health coverage, individuals can only be enrolled in ONE Medicare Part D plan to cover prescription needs—ie no dual coverage is allowed for Prescriptions. Therefore, if you enroll in another plan either a standalone Part D plan or a Medicare Advantage Plan, the NYSHIP Empire Plan by federal law must drop you from their included Part D plan. And NY Civil Service law, which governs NYSHIP (New York State Employee Health Program), requires that you be enrolled in the ENTIRE NYSHIP plan.

The NYSHIP Empire plan is a state government program, the rules governing it include:

Enrollment in Medicare Part B; and enrollment in the **entire** Empire Plan. It is not a cafeteria plan which allows you to choose one benefit and opt out of another. So it is **all** the benefits **or none** of them.

What we have learned from the West Islip School District is less ominous. In the past, the district benefits personnel could correct such problems and re-enroll the individuals or families in the NYSHIP Empire Plan, but no longer. If you made the mistake of enrolling in one of the plans, you will receive a letter from the NYSHIP Empire Plan notifying you that your coverage will cease as of December 31, 2020. **THE LETTER FROM NYSHIP WILL PROVIDE DIRECTIONS ON HOW TO REVOKE THE CHANGE.** You will have to respond to NYSHIP directly as the school district can no longer take care of such problems.

On the plus side, the same Civil Service Law still (until and unless the governor is successful in changing the law) requires that the state or participating agency, such as the West Islip School District, rebate all the Medicare Part B premiums including the Medicare base amount, which will be \$144.60 per month in 2021, and the IRMAA surcharges to the enrollees.