



Top tips for proving your value to employer groups with Medicare-eligible members—which is most of them.

TIP 1 YOUR CENSUS IS YOUR KEY

When you receive a census for quoting, be sure to scan all birthdates for years 1960 or earlier. These are your Medicare opportunities.

✓ SAVOY SAYS

Reach out to the group about these individuals and let them know the importance of offering an educational Medicare session for employees. Savoy has everything you need and can take care of the rest.

In some cases, such as groups with under 20 employees, these individuals **MUST** enroll in Medicare even if continuing on the employer-sponsored plan—tip two covers these important group size requirements.

TIP 2 THE SIZE OF THE GROUP MATTERS

Less than 20 employees

Any Medicare-eligible employee (or spouse/dependent) **MUST** enroll in Medicare Part A and B. This is because by law Medicare becomes their primary coverage. If the employee (or spouse/dependent) doesn't enroll when first eligible, claims may not be paid, and the individual may face financial penalties due to late enrollment.

20 or more employees

If an employee is currently working and coverage is creditable, the employer sponsored plan is considered primary. This means an employee may be able to delay Medicare Part A and B without penalty. But, in many cases, Medicare might be a better option for these individuals in terms of cost and coverage.

Less than 100 employees

If an employee (or spouse/dependent) qualifies for Medicare due to a disability, Medicare would be considered primary coverage.

✓ SAVOY SAYS

When looking at the censuses of your **under 20 groups**, it is imperative you call attention to all individuals ages 64 and older. Find out from the group administrator if these individuals are enrolled in Medicare, and if not, offer an educational session immediately.

For groups of **20 or more**, offer educational sessions for employees ages 64 and older, so they can explore and understand their options—and be ready and confident when the time comes to enroll.



TIP 3 HSAs & MEDICARE DON'T PLAY NICE

Once enrolled in Medicare Part A and/or Part B, individuals can no longer contribute pre-tax dollars to their Health Savings Account (HSA).

The individual may continue to withdraw funds from the HSA though to pay for medical expenses, such as deductibles, premiums, copayments, and coinsurances – with the exception of most supplement premiums.

Medicare-eligible individuals will need to determine if they should delay enrollment to continue contributions to their HSA, but should be aware of certain regulations, including how their group size affects Medicare enrollment (see Tip 2).

✓ SAVOY SAYS

Review your groups who have HSA plans in place and determine if there are Medicare-eligible employees (or spouse/dependent) enrolled on the plan.

Set up educational sessions with these individuals to ensure they understand how HSAs interact with Medicare and their options for coverage.

TIP 4 COBRA IS COMPLICATED

If an employee (or spouse/dependent) has a COBRA qualifying event, and they are also Medicare eligible, things can get very tricky. There are various scenarios based on eligibility and whether or not the individual is already enrolled in Medicare Part A and B.

✓ SAVOY SAYS

Be on the lookout for groups with COBRA qualifying individuals. Most times we think of COBRA for terminated individuals, but keep in mind that COBRA is also available for those experiencing a reduction in hours, divorce/legal separation, death of a covered spouse, or retirement.

Have your groups provide information on COBRA qualifying individuals and set up educational sessions for those Medicare-eligible, including spouses and dependents.



TIP 5 CREDITABLE COVERAGE IS KEY

If a group does not offer creditable prescription benefits equal to what Medicare offers, the employee (spouse/dependent) should enroll in a prescription drug plan (PDP) when first eligible, or they may later face a Part D late enrollment penalty for life.

Starting January 1, 2025, there will be significant changes to Medicare Part D under the Inflation Reduction Act (IRA), which could affect a group's creditable coverage status. Learn more about the IRA changes and what your clients need to know.

➔ <https://www.savoyassociates.com/news/inflation-reduction-act-affecting-group-plans>

The plan sponsor is responsible for filing their group health plan with CMS and notifying employees of whether coverage is creditable or not, but ultimately, the penalty falls on the Medicare-eligible individual if they do not enroll in Part D timely.

✓ SAVOY SAYS



Important to note:

Starting January 1, 2025, there will be significant changes to Medicare Part D under the Inflation Reduction Act (IRA), which could affect a group's creditable coverage status. Learn more about the IRA changes and what your clients need to know.

➔ <https://www.savoyassociates.com/news/inflation-reduction-act-affecting-group-plans>

Make sure your groups are properly filing their health plans with CMS and are distributing the proper Medicare Part D Creditable or Non-Creditable Coverage Notices to employees. Savoy can complete these evaluations and provide sample notices to you.

Find out which of your groups do not provide creditable prescription drug coverage and offer to set up educational sessions with any employees ages 64 and older.

WE'RE HERE TO HELP

If you have Medicare eligibles in your census, My Savoy Benefits is built to assist you with any or all of this. Education, compliance and access to the right coverage are what we bring.

Our My Savoy Benefits experts will conduct free, educational seminars for your groups and their employees. Your groups will feel confident they have a trusted advisor by their side and that their employees are being provided the support they need to make informed decisions on their health coverage.

GET STARTED WITH OUR TEAM TODAY.



Medicare By Savoy is a purpose-built service for brokers to provide education, compliance and support to their groups and their Medicare-eligible employees. Ask us about our different Medicare partnership plans, including broker compensation options.