



**AUI/NRAO
MEDICAL INSURANCE**

Planning for Retirement

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AS YOU APPROACH 65

- ❖ The information bombardment begins!
 - Social Security
 - Medicare supplement vendors

- ❖ If you plan to continue working – what should you do?
 - If you are NOT taking distributions from your Social Security:
 - Do NOT sign up for Medicare A or B!
 - You will be instructed to do so, but it cancels your eligibility for our HSA.

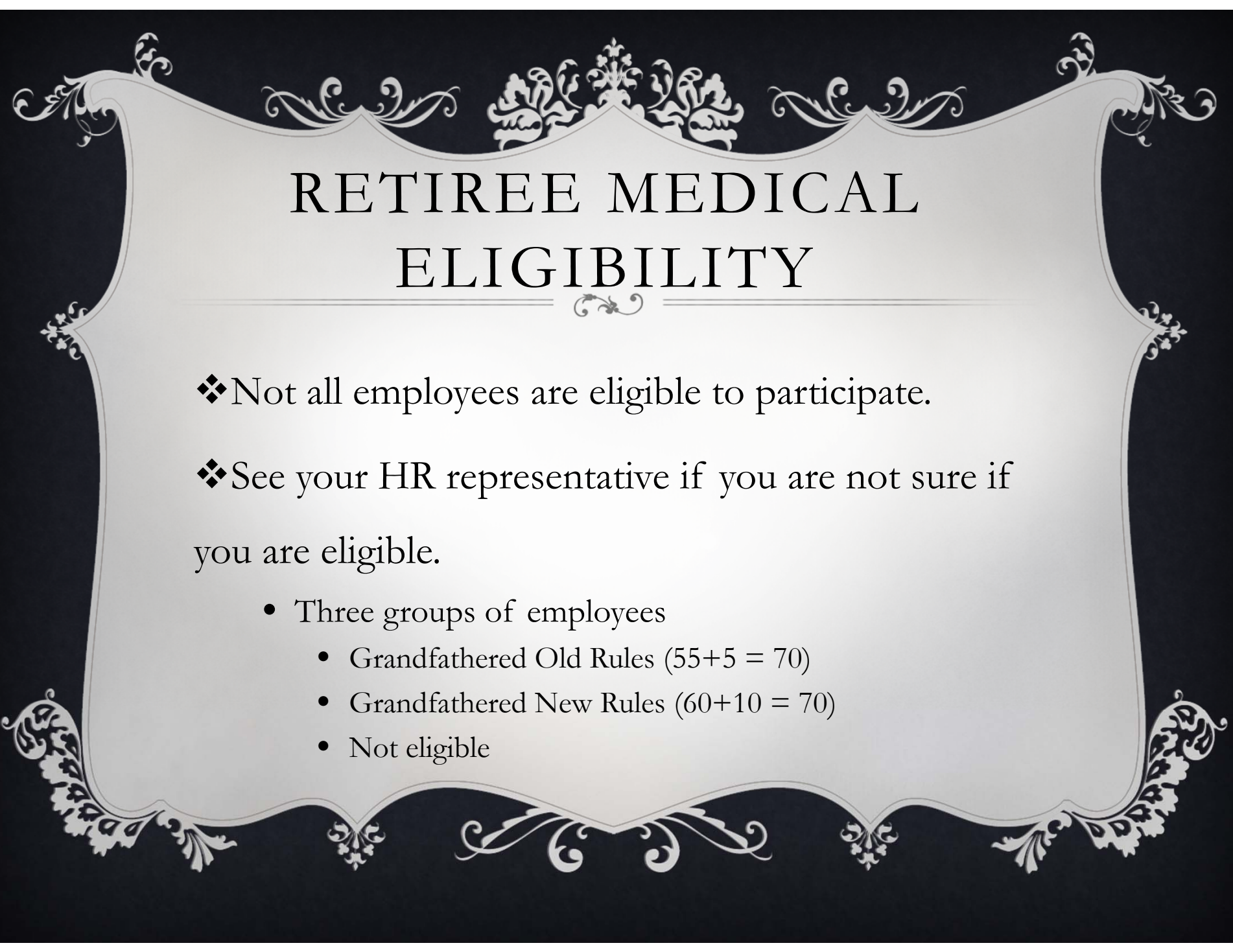
- ❖ If you are planning to retire – proceed with sign ups!

ALPHABET SOUP

- ❖ HSA: Health Savings Account.
 - If you have other insurance (Medicare A) you cannot contribute, nor get the employer contribution.
 - If you want to put your own money in, do not sign up for Medicare if you are working.

- ❖ HRA: Health Reimbursement Arrangement
 - Set up for those people who have other insurance
 - Allows receipt of employer contributions, no employee money.

- ❖ Retiree HRA: Offered through OneExchange, can be used with remaining HSA funds.



RETIREE MEDICAL ELIGIBILITY

- ❖ Not all employees are eligible to participate.
- ❖ See your HR representative if you are not sure if you are eligible.
 - Three groups of employees
 - Grandfathered Old Rules ($55+5 = 70$)
 - Grandfathered New Rules ($60+10 = 70$)
 - Not eligible

ELIGIBILITY DETERMINED

- ❖ All eligibility is determined from 12/31/2012 status.

<https://info.nrao.edu/hr/retirement-planning/retireemed>

- ❖ Must be enrolled on the plan prior to retirement.
 - If phased, you need to retire prior to moving below 50%.
- ❖ All dependents who need to be covered should be on the plan prior to retirement.

RETIRING BEFORE 65

- ❖ Not eligible for Medicare.
- ❖ Remain on Cigna group plan (high deductible with HSA).
- ❖ Pay employee premiums in force at retirement – adjusted annually.
- ❖ Considering other options for this group of retirees.

RETIRING 65 OR OLDER

- ❖ Medicare eligible – must sign up for both A & B.
- ❖ Contact OneExchange to enroll in supplemental plans.
- ❖ AUI/NRAO provides \$200 per enrollee (you & your spouse) per month to offset cost of Medigap, Medicare Advantage, and/or Prescription Drug plans.
- ❖ If money is left over, can be used for dental, vision, or other expenses.
 - Medicare B premiums.
 - Cannot be used for drug copays.