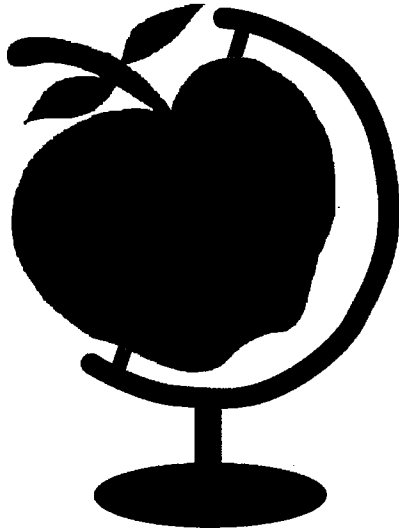
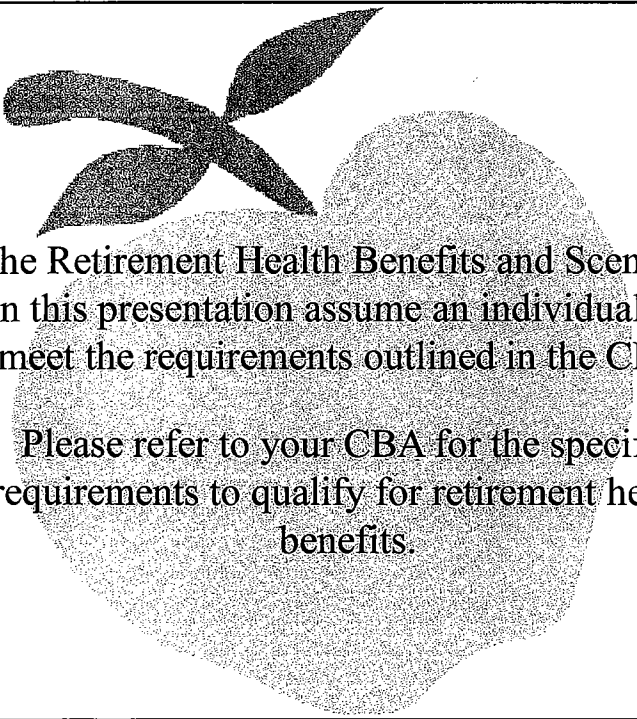


## **Naperville CUSD #203**



## **Medicare and Medical Benefits**



The Retirement Health Benefits and Scenarios  
in this presentation assume an individual has  
meet the requirements outlined in the CBA.

Please refer to your CBA for the specific  
requirements to qualify for retirement health  
benefits.

### **Retiree Medical Benefits**

- What happens when I turn 65?
- How does Medicare work?
- How does Naperville CUSD #203's medical plan and Medicare work together?
- Is there a better option?



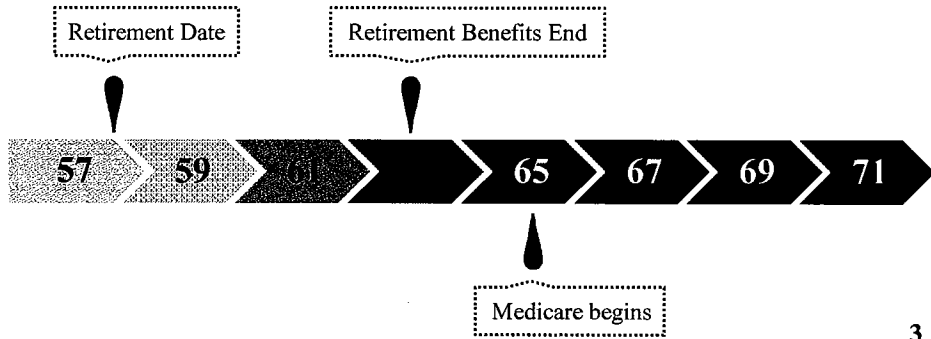
### **What happens when I turn age 65?**

If you are still actively at work and eligible for Naperville CUSD #203's medical plan then nothing changes.



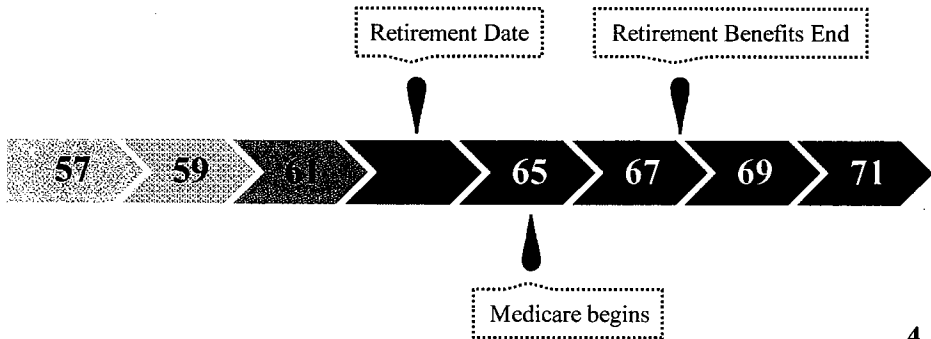
**What happens if I retire before age 60 and qualify for the district's retirement benefits?**

The retiree in this scenario remains on the district's health plan for five years with no changes.



**What happens if I retire after age 60 and qualify for the district's retirement benefits?**

The retiree in this scenario remains on the district's health plan for five years, however the month the retiree turns 65 they need to have Medicare Parts A and B.



Medicare Part A is premium-free.

The government charges a premium for Medicare Part B as follows:

Annual Income	Monthly Premium
\$85,000 or less	\$104.90
\$85,001 - \$107,000	\$146.90
\$107,001 - \$160,000	\$209.80



**Remember, 2 months before you turn age 65 you need to begin the process to enroll in Medicare Parts A & B.**



### **How does Medicare work?**

- Medicare Part A covers services performed in a hospital
- Medicare Part B covers outpatient and physician services
- Medicare Part D covers prescription drugs (*you do not need to purchase this until you are no longer covered under the district's plan*)



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### **How does Naperville CUSD 203's medical plan and Medicare work together?**

- You pay a monthly premium for the district's medical plan, which is currently:  
Single: \$89.18  
Family: \$262.82
- Medicare pays the provider first
- Naperville's medical plan pays second
- You pay your deductible, co-insurance or copay depending on the service



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### Scenario 1

Single Retiree, age 66, has a knee replacement

Annual Premium	\$1,070
Hospital / Surgery	\$517
Physician/Physical Therapy	\$933
Rx	<u>\$240</u>
<b>Total Costs</b>	<b>\$2,760</b>

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Is there a better option for retirees?

***YES***



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### Scenario 1 - Revised

Single Retiree, age 66, has a knee replacement

	<b>Current <u>Plan</u></b>	<b>Humana <u>Plan</u></b>
Annual Premium	\$1,070	\$594
Hospital / Surgery	\$517	\$175
Physician/Physical Therapy	\$933	\$690
Rx	<u>\$240</u>	<u>\$240</u>
<b>Total Costs</b>	<b>\$2,760</b>	<b>\$1,699</b>

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### Scenario 2

Retiree and Spouse, both over 65, one has a knee replacement, the other has 4 doctor visits and one ER visit

	<b>Current <u>Plan</u></b>	<b>Humana <u>Plan</u></b>
Annual Premium	\$3,154	\$1,188
Hospital / Surgery	\$517	\$175
ER Visit	\$750	\$115
Physician/Physical Therapy	\$1,013	\$730
Rx	<u>\$340</u>	<u>\$340</u>
<b>Total Costs</b>	<b>\$5,774</b>	<b>\$2,548</b>

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### Scenario 3

Retiree, age 66, and Spouse, age 63, one has a knee replacement, the other has 4 doctor visits and one ER visit

	<u>Current Plan</u>	<u>Humana Plan</u>
Annual Premium	\$3,154	\$1,664
Hospital / Surgery	\$517	\$1,350
ER Visit	\$750	\$115
Physician/Physical Therapy	\$1,013	\$120
Rx	<u>\$340</u>	<u>\$340</u>
<b>Total Costs</b>	<b>\$5,774</b>	<b>\$3,589</b>

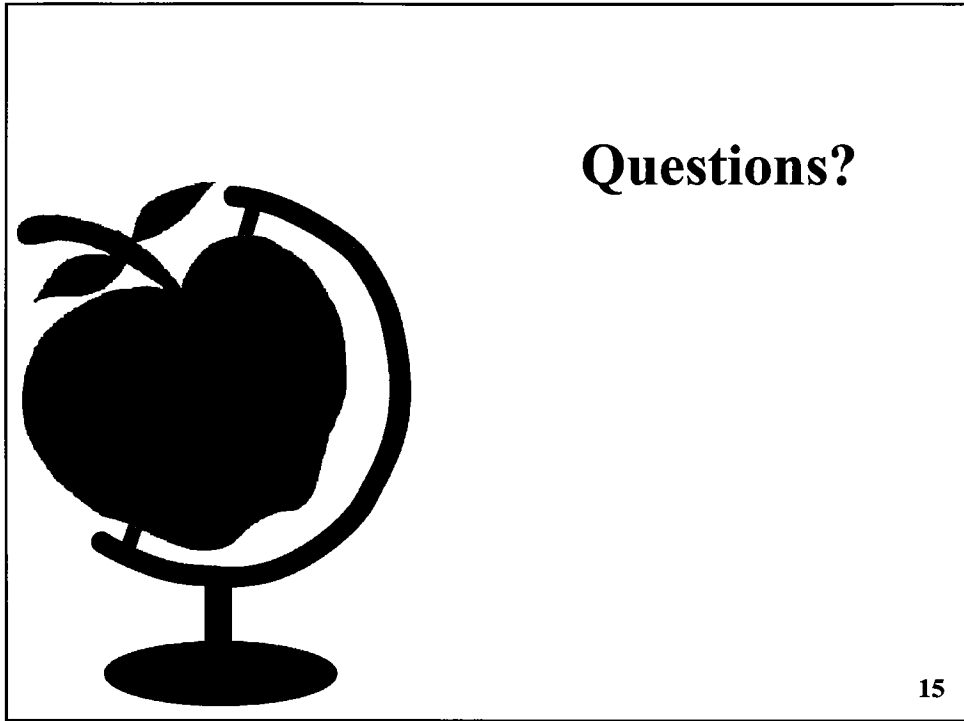
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### Advantages of Humana Plan

- Lower Annual Premiums
- Lower Annual Out-of-Pocket
- Choice of any provider that accepts Medicare
- Can remain on the plan after 5 year retirement benefits end (you pay 100% of premium at this point)
- No paperwork for Retirees to fill out

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