


**Be Aware + Prepare**



# Retiree health plans

Get Set for Retirement | Insurance  
2024

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### Important information

- This presentation is not a comprehensive description of the insurance benefits offered by PEBA.
- For more information, and before you make enrollment decisions, review the [Insurance Benefits Guide](#).

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### State Health Plan

- Self-funded insurance plan:
  - Members' and employers' premiums are held in a trust fund, and these funds are used to pay claims.
  - BlueCross BlueShield of South Carolina processes health claims.
  - Express Scripts processes prescription claims.
- Cost of the State Health Plan compares favorably to other plans.
  - Learn more at [peba.sc.gov/facts](http://peba.sc.gov/facts).
- Health management is key to maintaining a low cost for the Plan and premiums.

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### State Health Plan provider network

- Worldwide coverage.
- You pay copayments, deductible and coinsurance.
- Network provider files claims and accepts the Plan's allowed amount, even if its charges are higher.
  - If you use an out-of-network provider, you may have to file claims and can be balance billed. You pay a higher coinsurance, too.
- Use Find Care link under Resources at [StateSC.SouthCarolinaBlues.com](http://StateSC.SouthCarolinaBlues.com) to find a network provider near you.

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### Non-Medicare-eligible health plan choices

- State Health Plan, which includes prescription benefits.
  - Standard Plan.
  - Savings Plan.
- TRICARE Supplement Plan, for eligible members of the military community.
  - TRICARE rules apply.
  - Coverage ends at age 65.

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### Standard Plan for non-Medicare-eligible members

- Lower annual deductibles and higher monthly premiums.
- Pay copayments for office visits, outpatient facilities and emergency care.
- Pay copayments for prescription drugs.
- Coverage of adult well visits for primary members ages 19 and older. Eligible female members can also receive an annual well woman visit at no member cost in addition to the annual adult well visit.
  - Evidence-based services with an [A or B recommendation](#) by the United States Preventive Services Task Force (USPSTF) included.

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### Savings Plan for non-Medicare-eligible members

- High-deductible plan with lower monthly premiums.
- No copayments.
- Pay the allowed amount for prescription drugs until you meet your annual deductible. Then, you pay your coinsurance.
- Coverage of adult well visits for primary members each plan year at no cost. Eligible female members can also receive an annual well woman visit at no member cost in addition to the annual adult well visit.
  - Evidence-based services with an [A or B recommendation](#) by the United States Preventive Services Task Force (USPSTF) included.
- Eligible to contribute to a Health Savings Account (HSA) on a post-tax basis.

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### If you're eligible for Medicare

- Medicare will become your primary coverage and will start paying your claims first.
- Your PEBA coverage will be your secondary coverage.

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### Enrolling in Medicare

- Once eligible, you should enroll in Medicare Part A (hospital coverage) and Part B (medical coverage).
- The Medicare enrollment period begins three months before your 65<sup>th</sup> birthday.
- If receiving Social Security benefits, the Social Security Administration will contact you and enroll you automatically. Otherwise, you must contact Social Security to enroll.

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## 2024 Medicare benefits

There is no Medicare or Medicare Supplemental Plan coverage outside the U.S. and U.S. territories.

Part A (hospital benefits)	Part B (medical benefits)
<ul style="list-style-type: none"><li>• \$1,632 deductible per benefit period.<sup>1</sup></li><li>• No monthly premium if enough work credits established.</li></ul>	<ul style="list-style-type: none"><li>• \$240 annual deductible.<sup>1</sup></li><li>• \$174.70 (standard monthly premium as determined by Medicare).</li><li>• Plan pays 80% of approved charges.</li></ul>

<sup>1</sup>Medicare deductibles are subject to change.

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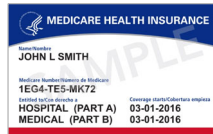
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## Becoming Medicare-eligible before age 65

- You must notify PEBA and provide a copy of your Medicare card.
- You can change health plans within 31 days of Medicare Part A eligibility.



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## Medicare-eligible health plan choices in retirement

- State Health Plan, which includes prescription benefits.
  - Medicare Supplemental Plan.
  - Carve-out Plan.
- See [Insurance Coverage for the Medicare-eligible Member handbook](#) for detailed information.

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## 2024 Medicare Supplemental Plan benefits

- Pays Medicare Part A deductible (\$1,632).<sup>1</sup>
- Pays Medicare Part B deductible (\$240).<sup>1</sup>
- Pays Medicare coinsurance, up to 100% of Medicare-approved charges.
- Offers no coverage outside the U.S.
- Includes prescription drug benefit.
- Claims for non-Medicare subscribers are processed under the Standard Plan.

<sup>1</sup>Medicare deductibles are subject to change.

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## Automatic enrollment in the Medicare Supplemental Plan

- Automatic enrollment at age 65 for those who participate in the State Health Plan.
- PEBA sends you a notification three months before your 65<sup>th</sup> birthday.
- Can choose to opt out of the Medicare Supplemental Plan and be covered under the Carve-out Plan.
- Medicare will be primary whether you opt out as long as you are not working in an insurance-eligible position on active coverage.
  - If you enroll in the Carve-out Plan in retirement, Medicare will still pay first toward your expenses.

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## 2024 Medicare Supplemental Plan benefits example

If covered by Medicare and the Medicare Supplemental Plan, your claim will be processed like this:

Medicare-approved amount	\$7,500
2024 Medicare Part A deductible <sup>1</sup>	<u>-\$1,632</u>
Medicare payment	\$5,868
Remaining bill	\$1,632

Next, the Medicare Supplemental Plan benefits are applied:

Remaining bill	\$1,632
Medicare Supplemental Plan pays Medicare Part A deductible	<u>-\$1,632</u>
<b>Your total payment</b>	<b>\$0</b>

<sup>1</sup>Medicare deductibles are subject to change.

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### Carve-out Plan with Medicare

- If your provider accepts the amount Medicare allows as payment in full, the Carve-out Plan will pay the lesser of:
  - The amount Medicare allows, minus what Medicare reported paying; or
  - The amount the State Health Plan would pay in the absence of Medicare, minus what Medicare reported paying.
- Pays primary if outside the U.S. and U.S. territories, where Medicare is not accepted.
- Learn more in the [Insurance Coverage for the Medicare-eligible Member](#) handbook.

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### 2024 Carve-out Plan benefits example

If covered by Medicare and the Carve-out Plan, your claim will be processed like this:

Medicare-approved amount	\$7,500
2024 Medicare Part A deductible <sup>1</sup>	- \$1,632
Medicare payment	\$5,868
Remaining bill	\$1,632

Next, the Carve-out Plan benefits are applied:

State Health Plan allowed amount	\$7,500
2024 Carve-out Plan deductible	- \$515
Carve-out Plan allowance	\$6,985
Carve-out Plan coinsurance	x .80%
Carve-out Plan payment in absence of Medicare	\$5,588
Medicare payment is "carved out" of Carve-out Plan payment	- \$5,868
Carve-out Plan payment	\$0
<b>Your total payment</b>	<b>\$1,632</b>

<sup>1</sup>Medicare deductibles are subject to change.

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### Medicare and the TRICARE Supplement Plan

- If enrolled in the TRICARE Supplement Plan, you can cancel or switch health coverage once reaching Medicare Part A eligibility.
- TRICARE becomes TRICARE for Life, a Medicare supplement.

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## 2024 Health plan premiums

- Premium is determined by your coverage level:
  - Retiree;
  - Retiree/spouse;
  - Retiree/children; and
  - Full family.
- Visit [peba.sc.gov/monthly-premiums](https://peba.sc.gov/monthly-premiums) for details.
- Rates may vary for optional employers, charter schools that participate in insurance only and employers that do not participate in the trust fund. Contact your benefits administrator for your premiums.

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## Tobacco-use premium

- Applies to State Health Plan subscribers only.
- \$40 per month for subscriber-only coverage.
- \$60 per month for other levels of coverage.
- Automatically charged unless subscriber:
  - Certifies as non-tobacco or e-cigarette user with [Certification Regarding Tobacco or E-cigarette Use](#) form; or
  - Certifies that all covered tobacco or e-cigarette users have completed the tobacco cessation program, [Quit For Life](#).®

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## Financial disclaimer

Personal finance, as the name implies, is a highly individualized and personal matter. The information provided in these presentations is general educational information provided to illustrate certain financial ideas and concepts. This information does not take into account your personal situation and should not be considered personal financial or investment advice. In reviewing this video, you should consider whether the information presented is appropriate for your particular needs and, where appropriate, you may wish to seek advice from a financial professional to determine what is best for your individual financial circumstances. PEBA does not make any guarantee or other promise as to any results that may be obtained from using the content of this presentation.

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