

Rehire/Retire District's checklist

Guidelines to Follow when rehiring a retired Employee.

Recommendations for:

a retiree UNDER age 65

The MEABT recommends that districts consider offering to rehired Non-Medicare-eligible retirees the same coverage options offered to similarly situated (non-retiree) employees (i.e. active group health plan) to avoid inadvertent Medicare Secondary Payer violations in the future.

Steps to add a rehired retiree to active group plan, for paper or web enrollment:

To add a rehired retiree and any dependents on their policy to your active group health plan, simply have the member complete the enrollment application as you would a new hire.

Notify Patty Whitcomb of the rehire.

This will ensure that the retirement policy is cancelled appropriately, and the retiree is moved over to the correct active group number for your district.

The Trust understands that a rehired retiree who remains on the Trust's retiree plan and becomes eligible for Medicare should not delay applying for Medicare when first eligible since the retiree plan coverage is not a qualifying employer coverage for the Medicare Late Enrollment Penalty Exception.

Recommendations for:

Medicare-eligible retiree 65 or older

Schools are subject to the Medicare Secondary Payer Rules: The MEABT recommends that districts offer to rehired Medicare-eligible retirees the same coverage options offered to similarly situated (non-retiree) employees (i.e. active group health plan).

The Trust's Medicare Advantage Contract with Anthem, consistent with the CMS Medicare Managed Care Manual and the Medicare Secondary Payer rules, prohibits active employees from being enrolled in an employer/union-sponsored Medicare Advantage plan unless they also have their employer/union-sponsored as primary coverage. Under the Medicare Secondary Payer Rules, if a retiree or annuitant returns to work even for temporary periods, the employer is required to provide the same coverage under the same conditions that the employer furnishes to other similarly situated employees (i.e., non-retirees). Medicare is secondary payer to the group health plan that the employer provides to the re-employed retiree.

***Retiree can put their Medicare B on hold when they return to the active plan, until they re-retire.**

Steps to be Taken When a Rehired Retiree Ends Employment, and needs to return to the retirement group.

Email the application to Anthem Patty.Whitcomb@anthem.com.

When the rehired retiree ends employment, please provide the member with the transition to retirement packet so they can re-enroll on the Medicare Advantage or non-Medicare plan. All changes are effective on the first of the month following receipt of the completed application.

Please list/use the employee's original district that they first retired from.

Noteworthy*

If a rehired retiree declines the active health plan through the district; the district should update the employee's personnel file with the declined member enrollment application or other document stating that they declined the active group health plan.

Cash-In-Lieu

Cash-in-lieu payments to Medicare-eligible rehired retirees (as contemplated in 5 MRSA Â§17859 (2-B)(C)) may be prohibited by the Medicare Secondary Payer rules. School districts should consult with their legal counsel regarding Medicare Secondary Payer prohibitions.

Employers subject to the Medicare Secondary Payer rules are prohibited from offering Medicare beneficiaries financial or other benefits as incentives not to enroll in, or to terminate enrollment in a Group Health Plan that is, or would be, primary to Medicare. (See. 42 CFR 411.103)