

Are you ready for Medicare?

If you are one of the lucky baby boomers who has made it this far in fairly decent health and not already collecting Social Security benefits, the magic number "65" is not too far away.

Way back when President Franklin D. Roosevelt created Social Security many feared it was a communist plot and more recently (1966 – can you believe that?) when Medicare was introduced, many individuals feared it was the start of socialism in the country. (Judging from all the political ruckus still out there today, some probably still do.)

Today, reaching sixty five has become something of a right of passage to start collecting on these two most popular government programs. If you will be reaching the age of 65 and you are not already collecting Social Security, you will need to start thinking about Medicare.

We mention Social Security because you may have earned credits (often called quarters) towards collecting benefits. The minimum number of quarters you (or your spouse) need to have earned is 40. These quarters also count toward Medicare, which is an automatic benefit to you when you have 40 credits/quarters. If you don't have them, then you will need to buy into the system.

It's a good idea to check your social security history to see if you will have enough credits. Since your employment with the San Antonio Police Department included a pension plan, social security payments were not deducted – hence no credits earned. You probably earned credits working extra jobs or through a business you may own.

This article is about Medicare and not Social Security, so let's get to it.

When you turn 65 and become eligible to apply for Medicare, the Fire and Police Health Care Pre-Funded Plan requires that you enroll in Medicare. If you read the Health Care Fund document and perhaps asked around or read up on Medicare, it can be very confusing trying to figure out what you need to do when you reach the "magic number" .

We contacted the good folks at our Fire and Police Health Care Fund office and got some very valuable information that should make this transition to Medicare relatively easy to understand and minimize your anxiety.



Here is what they have shared with us and other good things to know about:

Medicare has 4 parts, A, B, C, D. Here is basically what they cover:

Part A – Hospitalization Insurance (hospital, nursing home, hospice, etc.)

Part B – Medical Insurance (Doctor visits, tests, procedures, medical equipment, etc.)

Part C – Medicare Advantage plans – Personal options to choose from various private plans including HMOs, PPOs, PSOs, PFFS, MSA's and other alphabet soup plans.

Part D - Medicare Prescription Drug plan (all your medicines.)

You have a narrow Medicare enrollment window at age 65 (3 months before and 4 months after your birthday). If you miss this window, it will cost you extra, in some cases, a lot extra to enroll. **Suggestion: Plan on filing for Medicare 3 months before your 65th birthday!**

OK!, I'm going to file, what choices am I supposed make? Once you are enrolled in Medicare, your present Health Fund coverage becomes your supplemental Insurance. Here is what the Health Care fund recommends that you do.

- #1. File for Medicare Part – A (no charge if you have 40 credits in Social Security).
- #2. File for Medicare Part – B (There is a monthly premium [fee] and it depends on your income – in most cases 2010 premium is about \$110 month.) If you apply for Social Security at the same time, the premium is deducted from your Social Security Pension Check.
- #3. **DO NOT ENROLL IN MEDICARE PART – C** (You do not need it. You already have the F&P Health Care fund for that.)
- #4. **Not necessary** to enroll in Medicare Part - D (The F&P Health Care fund drug prescription plan is far superior to what is available through Medicare and will continue to cover the retiree just like you are covered now.

Basically that's it. Enroll in Part A (have 40 credits - no charge) and Part B (pay the monthly premium as established by law).

When you get your Medicare card send a copy of your Medicare card and your F&P Health Care Fund card to the Health Care Fund office so they can get all your paperwork in order. Your drugs and medications will continue to be covered as always. You will also receive a hard copy of the Medicare guidebook Medicare and You (year it applies) when you enroll in Medicare.

Now, that was pretty easy...And all is well.

Of course, every retiree's situation is different and you may need a bit more detailed information to make the best decision for yourself.

If you want more information: A copy of the most recent 124 page government publication called: Medicare and You 2010 is posted just below this article (on the CoffeeCops website - Health Fund page).

Here is another time saver! You can also retire and sign up for Medicare online by clicking on the web address: <http://www.ssa.gov/>

Want even more information on Medicare?

Try <http://www.medicare.gov>

Hope this helps those of you wondering what happens to your F&P Health Insurance when you switch to Medicare.

All the best to you,

CoffeeCops