
A PUBLICATION OF THE NEW JERSEY DIVISION OF PENSIONS AND BENEFITS

Your Retired Health Benefits and Medicare Part A & B

State Health Benefits Program • School Employees' Health Benefits Program

See the Medicare & You 2013 handbook (available from Social Security at www.medicare.gov or call 1-800-633-4227) for a detailed description of eligible Medicare benefits or your Summary Program Description for additional information.

MEDICARE AND YOUR HEALTH PLAN

Your choice of a medical plan in retirement is a personal decision based on your needs and the needs of your family. Even though your health benefits program offers several medical plans administered by Horizon Blue Cross Blue Shield of New Jersey and Aetna, no one plan is best suited for everyone, especially when an individual becomes eligible for Medicare. Copayments, deductibles, prescription drug costs and premiums (for retirees who pay the full cost of coverage) vary with each plan, be sure to review all the available plans:

Aetna Plan Design

- Aetna Freedom10
- Aetna Freedom15
- Aetna HMO
- Aetna HMO1525

Horizon Blue Cross Blue Shield of New Jersey Plan Design

- NJ DIRECT10
- NJ DIRECT15
- NJ DIRECT1525
- NJ DIRECT2030
- Horizon HMO
- Horizon HMO1525
- Horizon HMO2030

Be sure to check with your medical providers to find out which plans they accept. If any of your doctors do not accept Medicare, all expenses incurred for services rendered by these doctors are not eligible for coverage under your medical plan and will not be paid.

The charts in this fact sheet provide an easy way to compare the benefits of Medicare and the plans offered by the health benefits program by summarizing what each plan provides for a specified service. The benefits listed on the charts are selected as those most likely to be of interest to you. To be eligible for these benefits, both Parts A and B of Medicare must be obtained once you become Medicare eligible*.

Aetna

Under Aetna plans, the coverage provided is a Medicare Advantage plan, which means that eligible claims are paid by the medical plan. You do not need to coordinate coverage between Medicare and Aetna.

- Aetna plans are combined with Medicare and pay eligible expenses directly, replacing the need for claims to first be paid by Medicare and then by a secondary plan.

**If you are eligible but did not obtain or dropped Medicare coverage, your health benefits will be terminated. Please contact your local Social Security office to obtain or reinstate your Medicare coverage. Open enrollment for Medicare is held from January 1, 2013 through March 31, 2013 with an effective date of July 1, 2013.*

NJ DIRECT/Horizon

Under NJ DIRECT/Horizon plans (in-network), claims are coordinated by first submitting them to Medicare. This coordination of benefits with Medicare is handled by NJ DIRECT/Horizon.

Benefits and plan procedures remain the same as they did prior to enrolling in Medicare; simply pay the normal copayments to the provider. The deductibles and coinsurance required by Medicare will be paid in full by your medical plan.

For the NJ DIRECT/Horizon plans, the out-of-network coverage for claims is coordinated by first submitting them to Medicare. Unreimbursed expenses may then be sent to NJ DIRECT/Horizon by Medicare for further reimbursement. You may still have out-of-pocket expenses such as deductibles, coinsurance, and costs above reasonable and customary allowances.

- NJ DIRECT/Horizon plans will not pay for benefits which should have been paid by Medicare.

If NJ DIRECT/Horizon does not receive your Medicare claim information automatically, you must submit a *Medicare Summary Notice* directly to your plan (this comes with your Medicare reimbursement). Be sure your physician's or provider's name is clearly indicated on the *Medicare Summary Notice*.

A Note About Medicare Part D

Effective January 2012, retired members of the SHBP/SEHBP who are eligible for Medicare are enrolled by the SHBP/SEHBP in Medicare Part D prescription drug coverage under the Express Scripts Medicare Prescription Plan. Enrollment in the Express Scripts plan is automatic and the plan design maintains the same copayments and out of pocket maximums of non-Medicare retirees.

Participating Providers

To find a participating physician contact the plans directly:

- NJ DIRECT/Horizon plans: 1-800-414-7427 or online at: www.horizonblue.com/shbp
- Aetna plans: 1-866-234-3129 or online at: www.aetna.com/statenj

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This fact sheet is a summary and not intended to provide total information.
Although every attempt at accuracy is made, it cannot be guaranteed.

**CLAIMS ELIGIBLE FOR CALENDAR YEAR 2013
UNDER MEDICARE PART A HOSPITAL INSURANCE AND YOUR RETIRED HEALTH BENEFITS PLAN**

SERVICE	BENEFIT	MEDICARE PAYS	AETNA PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	NJ DIRECT/HORIZON IN-NETWORK NJ DIRECT10, NJ DIRECT15 NJ DIRECT1525 NJ DIRECT2030 Horizon HMO Horizon HMO1525 Horizon HMO2030	NJ DIRECT/HORIZON OUT-OF-NETWORK NJ DIRECT10 NJ DIRECT15 NJ DIRECT1525 NJ DIRECT2030
HOSPITALIZATION Semi-private room and board; including routine general nursing care, operating and recovery rooms, anesthesia, X-rays, lab tests, oxygen, drugs, and dressings.	First 60 days	All but \$1,184	100% of eligible charges	All eligible charges not covered by Medicare.	For NJ DIRECT10 80% for NJ DIRECT15, 1525, 2030 70% of eligible charges not covered by Medicare except for a \$200 deductible per hospital stay ² (\$500 for NJ DIRECT2030) and subject to the annual maximum ³ .
	61 st through 90 th day	All but \$296 per day			
	91 st through 150 th day	All but \$592 per day			
	Up to 365 days	Nothing			
	After 365 days	Nothing			
POST-HOSPITAL SKILLED NURSING FACILITY CARE⁴ This is not nursing home care. Services include room and board, routine nursing care, physical/occupational and speech therapy	First 20 days	100% of approved amount	100% of eligible charges	Nothing (covered by Medicare).	Nothing (covered by Medicare).
	21 st through 100 th day	All but \$148.00 per day	100% of eligible charges	All eligible charges not covered by Medicare.	For NJ DIRECT10 80% for NJ DIRECT15, 1525, 2030 70% of eligible charges not covered by Medicare after \$200 deductible; up to 60 days to annual maximum ³ ; after 60 days – nothing.
	101 st through 120 th day	Nothing	No coverage beyond 100 days per “benefit period” (different than calendar year)	100%	
HOSPICE CARE Nursing care, physician services, counseling services, respite care, medical applications and supplies, short-term inpatient care, health aide services, and homemaker services.	Covered if doctor certifies need.	All but limited cost for outpatient prescription drugs and inpatient respite care. Inpatient room and board services are generally not covered.	Covered by Medicare at a Medicare certified hospice.	Eligible charges not covered by Medicare, including prescription drugs, respite care, and inpatient room and board.	For NJ DIRECT10 80% for NJ DIRECT15, 1525, 2030 70% of eligible charges not covered by Medicare after \$200 deductible, including outpatient prescription drugs, inpatient respite care, and inpatient room and board.

¹See the *Medicare & You 2013* handbook for an explanation of the 60 LIFETIME RESERVE DAYS.

²Local Education retirees are not subject to the separate hospital deductible.

³Annual maximum out-of-pocket expenses for coinsurance for all eligible charges is \$2,000 per individual.

⁴Skilled Nursing Facility Care – The facility must be Medicare approved. Medicare stipulates a confinement must follow at least three days of in-hospital care and start within 30 days of discharge from the hospital. Services must be considered medically necessary.

**CLAIMS ELIGIBLE FOR CALENDAR YEAR 2013
UNDER MEDICARE PART B MEDICAL INSURANCE AND YOUR RETIRED HEALTH BENEFITS PLAN**

SERVICE	MEDICARE PAYS	AETNA PLANS Aetna Freedom10 Aetna Freedom15 Aetna HMO Aetna HMO1525	NJ DIRECT/HORIZON IN-NETWORK NJ DIRECT10 NJ DIRECT15 NJ DIRECT1525 NJ DIRECT2030 Horizon HMO Horizon HMO1525 Horizon HMO2030	NJ DIRECT/HORIZON OUT-OF-NETWORK NJ DIRECT10 NJ DIRECT15 NJ DIRECT1525 NJ DIRECT2030
MEDICAL EXPENSES Physician's care, including surgeon's and assistant surgeon's fee.	80% of approved amount after \$147 Medicare deductible ¹ .	100% of eligible charges subject to plan copayments.	100% of eligible charges not covered by Medicare subject to plan copay- ments.	For NJ DIRECT10 80% for NJ DIRECT15, 1525, and 2030 70% of eligible charges not covered by Medicare after deductible (subject to reason- able and customary charges) ³ .
OUTPATIENT MENTAL HEALTH SERVICES	35% of approved amount.	100% of eligible charges subject to plan copayments.	NJ DIRECT/Horizon covers 90% of the eligible charges not covered by Medicare.	For NJ DIRECT10 80% for NJ DIRECT15, 1525, and 2030 70% of eligible charges not covered by Medicare after deductible (subject to reason- able and customary charges) ³ .
DURABLE MEDICAL EQUIPMENT	Full cost of services. 80% of approved amount.	100% of eligible charges.	NJ DIRECT/Horizon - cov- ered at 90% of eligible charges not covered by Medicare.	For NJ DIRECT10 80% for NJ DIRECT15, 1525, and 2030 70% of eligible charges not covered by Medicare ³ after deductible.

¹ Provider must accept Medicare.

² Biologically-based mental health conditions are treated like any other illness and are not subject to annual or lifetime mental health dollar maximums or separate mental health visit limits.

³ Annual maximum out-of-pocket expenses for coinsurance for all eligible charges is \$2,000 per individual for NJ DIRECT10, 15, and 1525. \$5,000 for NJ DIRECT2030.

NOTE: Your Medicare Part B premium is based on several factors: income; the timeliness of the application for Part B; and the date when deductions began for Part B. For more information about premiums, call Social Security at 1-800-772-1213 or visit the Centers for Medicare & Medicaid Services Web site at: www.cms.hhs.gov