IU RETIREE STATUS & BENEFITS

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IU Human Resources

September 21, 2023
Housekeeping

- **Session will not be recorded**; however, a PDF of the slides is available on the Road to Retirement website at [hr.iu.edu/benefits/road-to-retire.html](http://hr.iu.edu/benefits/road-to-retire.html).

- All attendees have been placed on mute. If you have technical issues, please message an IUHR representative in the chat for assistance.

- **Please put all questions in the Q&A box**. Do not put any questions related to a personal situation in the Q&A.

- Watch the chat for helpful links to additional information. Chat will not be monitored for questions to the presenters.

- At the end of today’s session, you will be asked to complete a brief survey.
What We’ll Discuss Today

• What is IU retiree status?

• Retiree medical plan options:
  — Options if you retire under age 65
  — Options if you retire at age 65 and older
  — Election and premium examples

• Tools & resources

• Q&A
SECTION 1

What is IU Retiree Status?
## IU Retiree Status

Based on **AGE** and **YEARS OF IU SERVICE**

<table>
<thead>
<tr>
<th>Age at Termination</th>
<th>Minimum Years of Active Full time IU Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>30</td>
</tr>
<tr>
<td>56</td>
<td>28</td>
</tr>
<tr>
<td>57</td>
<td>26</td>
</tr>
<tr>
<td>58</td>
<td>24</td>
</tr>
<tr>
<td>59</td>
<td>22</td>
</tr>
<tr>
<td>60</td>
<td>20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age at Termination</th>
<th>Minimum Years of Active Full time IU Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>61</td>
<td>18</td>
</tr>
<tr>
<td>62</td>
<td>16</td>
</tr>
<tr>
<td>63</td>
<td>14</td>
</tr>
<tr>
<td>64</td>
<td>12</td>
</tr>
<tr>
<td>65</td>
<td>10</td>
</tr>
</tbody>
</table>

*Staff hired before July 1, 2013, who are covered by the legacy PERF retirement plan:* Retiree status is reached with at least 15 years of IU service for employees separating at ages 60, 61, or 62.
What counts towards “Years of IU Service”

Years of IU Service = Full-time appointed service
(some periods of leave without pay may not be counted)

- Contact AskHR to inquire about your “Years of Service” calculation for Retiree Status
- Sabbatical leaves and leaves for research are counted
- Years of IU service pro-rated for ages that fall between the ages listed in the chart
Key Retiree Benefits

Medical plan (with vision)

Retiree life ($6,000)

IU tuition benefit

IU technology resources
(Administered by UITS, details at: kb.iu.edu/d/dddxy#)

Campus-specific resources:
• Parking discounts
• Library and research access
• Cultural and sporting events

Memberships:
• IU Retiree Association (Faculty/Staff)
• Emeriti House (Faculty/Librarians)
• IUPUI Senior Academy membership (IUPUI Faculty/Staff)
What if I don’t meet the Retiree Status criteria?

You can still “retire” by separating from the university, but:

• You won’t be classified as a retiree or have IU Retiree Status

• You won’t be eligible for retiree benefits (IU medical, tuition benefit, life insurance)

• No impact on your ability to take distributions from retirement accounts
SECTION 2

Retiree Medical Plan Options
Eligibility for IU Retiree Medical Coverage

**INITIAL** eligibility requires that you:

1. Have **IU Retiree Status**; and

2. Are **covered by an IU-sponsored medical plan** as an employee or spouse of an IU employee at the time of separation.
   - Eligible spouses and dependent children (through age 25) are those covered on an IU medical plan at the time of separation.
   - You must enroll in COBRA or retiree coverage **within 60 days** of your retirement date

**CONTINUED** eligibility requires that you remain continuously covered on an IU-sponsored plan.
IU Medical Plan Options

**Under Age 65:**
- COBRA (continue current IU plan)
- IU coverage through IU spouse
- Anthem Under 65 PPO HDHP

**Age 65 & Up (Medicare eligible):**
- IU coverage through IU spouse
- IU Blue Retiree Plan
Medical Plan Options for Retirees Under Age 65
Benefits – IU Under 65 Retiree Medical Plan

- Premiums **not** based on age/tobacco use
- Not based on where you live
- Not an HMO or limited network
- Enhanced **prescription drug** coverage
- Meets continuous enrollment criteria to **bridge to IU Blue Retiree** plan
- For most, **similar/lower premiums** and **higher benefits** than ACA Marketplace plans
Monthly Medical Premiums (2023)
Under Age 65

COBRA Medical
(18 Months)

COBRA Monthly Rates (see hr.iu.edu/benefits/cobra.html)
Anthem PPO $500 $1,045 - $3,136
Anthem PPO HDHP $436 - $1,317

Anthem U65 PPO HDHP Monthly Rates
One Participant $436.76
Participant & Child(ren) $835.61
Retiree & Spouse $1,163.25
Retiree & Family $1,317.14
Monthly Dental Premiums (2023)
Under Age 65

COBRA Dental
(18 Months)

COBRA Monthly Rates
One Participant $ 42.70
Participant & Child(ren) $ 76.90
Retiree & Spouse $ 100.31
Retiree & Family $ 146.30
Medical Plan Options for Retirees Age 65 & Older
Medicare Website – Medicare.gov
Medicare Basics
The ABC’s & D’s

Original Medicare

PART A
HOSPITAL
No premium

PART B
OUTPATIENT
Professional and outpatient services
(doctor visits, therapy, home healthcare, etc.)

PART D
PRESCRIPTION

Alternative to Original Medicare

PART C
MEDICARE ADVANTAGE
Private plans approved by Medicare
(includes Parts A, B, & often D)
Medicare Basics
Options for Comprehensive Coverage

**OPTION 1:**

**PART A & B**
- Hospital
- Outpatient

**PART D**
- Prescription Drugs

**MEDICARE SUPPLEMENT**
- IU Blue Retiree Plan or commercial “Medigap” plan
  - Covers Medicare deductibles and copays/coinsurance.
  - Some plans cover dental, vision, hearing, etc.

**OPTION 2:**

**PART C (MEDICARE ADVANTAGE PLAN)**
- Part A
- Part B

**Part D**
- Plans often include:
- Some plans include:
  - Additional Benefits (dental, vision, hearing, etc.)
Enrolling in Medicare

- **Initial Enrollment Period** = 7-month period around your 65th birthday
- If you begin receiving **Social Security income** (e.g., age 62 or after):
  - You’re automatically enrolled in Medicare Part A at age 65
  - Whether actively employed or already retired
  - When you or your spouse use your Social Security Income benefits

- **Special Enrollment Period** = 8-month period after employee coverage ends (NO special enrollment after COBRA)

- Penalties apply for enrolling outside enrollment periods
Medical Plan Options for Retirees Age 65 & Older

*Medicare A, B, & D + Supplement Plan*
IU Blue Retiree Plan
Retirees & Spouses Aged 65 & Up

- Coordinates with Original Medicare like a Medigap plan
- Pays Medicare deductibles (including Part B deductible) and copays/coinsurance
- Covers medical expenses globally with no dollar maximums
- Does not include prescription coverage (you must also enroll in Medicare Part D to have prescription coverage)

IU BLUE RETIREE PLAN
Covers Medicare deductibles and copays/coinsurance. Some coverage for dental, vision, hearing
# IU Blue Retiree Plan

## Medicare Complement Benefits

<table>
<thead>
<tr>
<th>Service</th>
<th>Medicare Pays</th>
<th>Blue Retiree Pays</th>
<th>Member Pays</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medicare Part A</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inpatient Hospital Facility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 60 days</td>
<td>Pays all but deductible</td>
<td>The deductible</td>
<td>$0</td>
</tr>
<tr>
<td>Days 61 – 90</td>
<td>Pays all but coinsurance</td>
<td>The daily coinsurance</td>
<td>$0</td>
</tr>
<tr>
<td>Skilled Nursing Facility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 20 days</td>
<td>100%</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Days 21 to 100</td>
<td>Pays all but coinsurance</td>
<td>The daily coinsurance</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Medicare Part B</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part B deductible</td>
<td>Plan pays after deductible</td>
<td>The deductible</td>
<td>$0</td>
</tr>
<tr>
<td>Doctors care including office</td>
<td>80%</td>
<td>20%</td>
<td>$0</td>
</tr>
<tr>
<td>visits or while inpatient</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outpatient services (surgeries,</td>
<td>80%</td>
<td>20%</td>
<td>$0</td>
</tr>
<tr>
<td>diagnostic services,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>physical therapy, x-rays)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## IU Blue Retiree Plan
### Major Medical Benefits

<table>
<thead>
<tr>
<th>Service</th>
<th>Medicare Pays</th>
<th>Blue Retiree Pays</th>
<th>Member Pays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuous inpatient days beyond an additional 365</td>
<td>$0</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Skilled nursing facility after the 100th day</td>
<td>$0</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Services outside the U.S.</td>
<td>$0</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Excess charges for providers that don’t accept Medicare assignment</td>
<td>$0</td>
<td>Up to the limiting charge* of 115% of the Medicare-allowable Amount</td>
<td>$0 for services with a limiting charge*</td>
</tr>
<tr>
<td>Morbid obesity</td>
<td>$0</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Accidental Dental</td>
<td>$0</td>
<td>80%</td>
<td>20%</td>
</tr>
</tbody>
</table>

*There is a limiting charge on what non-participating providers can bill Medicare enrollees—15 percent over what Medicare pays the non-participating provider. The limiting charge does not apply to all Medicare-covered services, like some durable medical equipment.
## IU Blue Retiree Plan

### Wellness Benefits

<table>
<thead>
<tr>
<th>Service</th>
<th>Medicare Pays</th>
<th>Blue Retiree Pays</th>
<th>Member Pays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental Services</td>
<td>$0</td>
<td>$125</td>
<td>Amounts above $125</td>
</tr>
<tr>
<td>Annual physical exam</td>
<td>$0</td>
<td>$150</td>
<td>Amounts above $150</td>
</tr>
<tr>
<td>Routine hearing exam</td>
<td>$0</td>
<td>$50</td>
<td>Amounts above $50</td>
</tr>
</tbody>
</table>

### Vision Benefits

<table>
<thead>
<tr>
<th>Service</th>
<th>In Network Provider</th>
<th>Member Pays</th>
<th>Out of Network Provider</th>
<th>Member Pays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual comprehensive eye exam and refraction</td>
<td></td>
<td>$5</td>
<td></td>
<td>Amounts above $42</td>
</tr>
<tr>
<td>Eyeglass frames <em>(Once every 24 months)</em></td>
<td></td>
<td>$130 allowance, then 20% off any remaining balance</td>
<td>Costs above a $45 allowance</td>
<td></td>
</tr>
<tr>
<td>Standard eyeglass lenses <em>(Once every 12 months)</em></td>
<td></td>
<td>$20 copay</td>
<td></td>
<td>Costs above $40–$80 allowance</td>
</tr>
<tr>
<td>Contact lenses <em>(Once every 24 months)</em></td>
<td></td>
<td>Specific allowances and discounts for elective and non-elective contact lenses. Highest level of benefit in-network. Some enhancements are not covered out-of-network.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note: Details for electives and non-electives are not provided.*
IU Blue Retiree Plan
Silver Sneakers

- No-cost fitness benefit
- Access to 15,000+ fitness locations nationwide
- Virtual on-demand classes available 24/7
- Also includes guidance from fitness staff, signature classes, social connections, and more
- Visit silversneakers.com/starthere to get started
IU Blue Retiree Plan
Monthly Cost of Coverage

- Retiree pays full cost of premium
- Premiums change annually (up or down), but not based on age

<table>
<thead>
<tr>
<th>Coverage Level</th>
<th>2023 Monthly Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Participant</td>
<td>$201.39</td>
</tr>
<tr>
<td>Retiree and Spouse</td>
<td>$401.49</td>
</tr>
</tbody>
</table>

Calculate Monthly Cost of Coverage

Part A (No cost) + Medicare Supplement Plan (IU Blue Retiree) + Part D ($7–$92, avg. $32) = Your Total Cost
Commercial Medigap Plans
Compared to IU Blue Retiree Plan

• Sold by private insurance companies
• Plans are standardized, and in most cases named by letters (Plan A – N)
• As of January 1, 2020, Medigap plans sold to people new to Medicare can no longer cover the Part B deductible (IU Blue Retiree Plan does)
• Costs and availability vary by state
• Premiums can be affected by your age, gender, zip code, tobacco use
  – “Introductory” discount premium
  – After your Special Enrollment Period, you can be denied coverage, have coverage delayed, or have the premium based on health factors.
Medical Plan Options for Retirees Age 65 & Older

Medicare Advantage (Part C) Plans
Medicare Advantage (Part C) Plans
Alternative to Original Medicare

- Alternative to Original Medicare (Parts A & B), many also include Part D
- Lower premiums
- Higher out-of-pocket costs for services (copays for office visits, each day in the hospital, prescriptions, etc.)
- IU does not offer a Medicare Advantage plan and the IU Blue Retiree Plan does not pair with Medicare Advantage plans.
Retiree Medical Plans

Premium & Election Examples
Scenario #1
Jenny & Dan

While Jenny’s Employed at IU:
• Covers herself and spouse Dan on employee medical plan.
• Dan, age 63, is a retired principal.

After Jenny’s Retirement:
• When Jenny turns 65, she retires with IU Retiree Status.
• Both elect IU Retiree coverage:
  – Jenny—IU Anthem Blue Retiree Plan (for 65+)
  – Dan—Anthem U65 PPO HDHP (for under 65)
• When Dan turns 65, he can switch to the IU Blue Retiree plan—the same plan as Jenny.
Scenario #1 – Jenny and Dan’s Monthly Premiums

<table>
<thead>
<tr>
<th>Plan</th>
<th>Jenny’s Premium</th>
<th>Dan’s Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Medicare B</td>
<td>$165.00</td>
<td>–</td>
</tr>
<tr>
<td>Medicare D (Rx)*</td>
<td>$25.00</td>
<td>–</td>
</tr>
<tr>
<td>Blue Retiree</td>
<td>$201.00</td>
<td>–</td>
</tr>
<tr>
<td>U65 Anthem HDHP</td>
<td>–</td>
<td>$437.00</td>
</tr>
</tbody>
</table>

$391.00 $437.00

*Medicare D plans vary in coverage and premiums ($7 to $92)

Total = $828/month
Scenario #2
Paul & Mimi

While Both Employed at IU:
• Each covers self on employee medical plan.

After Paul’s Retirement:
• When Paul turns 66, he retires with IU Retiree Status.
• Mimi continues working and enrolls Paul on her employee plan as a dependent (he delays Medicare).
• When Mimi retires from IU at age 65, she and Paul each enroll in Medicare A, B, & D and the IU Blue Retiree plan. (Paul has IU Retiree Status and has been continuously covered by an IU plan.)
Scenario #2 – Paul and Mimi’s Monthly Premiums

<table>
<thead>
<tr>
<th>Plan</th>
<th>Paul’s Premium</th>
<th>Mimi’s Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Medicare B</td>
<td>$165.00</td>
<td>$165.00</td>
</tr>
<tr>
<td>Medicare D (Rx)*</td>
<td>$40.00</td>
<td>$7.00</td>
</tr>
<tr>
<td>Blue Retiree</td>
<td>$201.00</td>
<td>$201.00</td>
</tr>
<tr>
<td>U65 Anthem HDHP</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Total = $779/month

*Medicare D plans vary in coverage and premiums ($7 to $92)
Scenario #3  
Dave & Wes

While Both Employed at IU:
- Each covers self on employee medical plan.

After Dave’s Retirement:
- When Dave turns 66, he retires with IU Retiree Status.
- Wes continues working and enrolls Dave on his employee plan as a dependent (he delays Medicare).
- Wes later takes a job with Lilly.
  - Both could enroll in IU retiree coverage at that time, (since Dave maintained continuous IU coverage), but instead they enroll with Wes’ new employer.
- When Wes leaves Lilly at age 65, neither he nor Dave are eligible for IU-sponsored retiree coverage (Dave has IU Retiree Status but was not continuously covered through IU).
Scenario #4

Amira – Age 62 (IU Retiree)

While Amira’s Employed at IU:
• Covers herself on an individual medical plan.

After Amira’s Retirement:
• When Amira turns 62, she retires with IU Retiree Status.
• Amira elects IU Retiree coverage:
  – IU Anthem U65 PPO HDHP (for under 65)
• If she remains continuously covered on the IU plan, she’ll be eligible to enroll in the IU Blue Retiree Plan when she turns 65.
### Scenario #4 – Amira’s Monthly Premiums

<table>
<thead>
<tr>
<th>Plan</th>
<th>Amira’s Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare A</td>
<td>–</td>
</tr>
<tr>
<td>Medicare B</td>
<td>–</td>
</tr>
<tr>
<td>Medicare D (Rx)</td>
<td>–</td>
</tr>
<tr>
<td>Blue Retiree</td>
<td>–</td>
</tr>
<tr>
<td>U65 Anthem HDHP</td>
<td>$437.00</td>
</tr>
</tbody>
</table>

**Total = $437.00**

**Total = $437/month**
Scenario #5

Carlos

While Carlos’ Employed at IU:

• Covers himself on an individual medical plan.

After Carlos’ Retirement:

• When Carlos turns 68, he retires with IU Retiree Status.

• He enrolls in Medicare A, B, & D and the IU Blue Retiree plan.
Scenario #5 – Carlos’ Monthly Premiums

<table>
<thead>
<tr>
<th>Plan</th>
<th>Carlos’ Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare A</td>
<td>–</td>
</tr>
<tr>
<td>Medicare B</td>
<td>$165.00</td>
</tr>
<tr>
<td>Medicare D (Rx)*</td>
<td>$8.00</td>
</tr>
<tr>
<td>Blue Retiree</td>
<td>$201.00</td>
</tr>
<tr>
<td>U65 Anthem HDHP</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$374.00</strong></td>
</tr>
</tbody>
</table>

*Medicare D plans vary in coverage and premiums ($7 to $92)

Total = $374/month
SECTION 3

Tools and Resources
Retirement Checklist

Start at the main Benefits navigation at hr.iu.edu/benefits

1. Select Retirees
2. Select Preparing to Retire
Retirement Resources & Tools

Start at the main Benefits navigation at hr.iu.edu/benefits

1. Select Retirees
2. Select Resources & Tools

Retirement Ready Fact Sheets
Retirement Resources & Tools

Start at the main Benefits navigation at hr.iu.edu/benefits

1. Select Retirees

2. Select Resources & Tools

Checklist for Online Medicare, Retirement, & Spouses Applications

ROAD TO RETIREMENT
Anthem Sydney Health App

- Log in easily and securely with your anthem.com credentials
- 24/7 access to digital ID card
- Estimate healthcare costs
- Find a doctor or provider and filter by distance or rating
- Check plan progress (deductible, OOP max)
- Review and submit claims
- Securely send and receive messages about your plan
Anthem Live Health Online

- 24/7 access to board-certified doctors from a smartphone, tablet, or computer with a webcam
- Receive medical care for things like the flu, rashes, fever, sinus infection, pink eye, more
- Cost around $59 per visit
- Doctor can assess your condition, provide treatment options, and even send a prescription to your pharmacy
- Psychiatry, psychology, dermatology, and allergy visits also available
Medicare “What’s Covered” App

- Quickly see whether Medicare covers your service in the doctor’s office, the hospital, or anywhere else
- Delivers general cost, coverage and eligibility details for items and services covered by Medicare Part A & B
- Answer your Medicare coverage questions
- See information about your costs
- Learn about covered items & services
- Browse free preventive services
Silver Sneakers GO

• Strength, flexibility and walking programs customized for beginners, intermediate and advanced users.

• Schedule workouts and activities, with helpful in-app reminders.

• Easy workout modifications; users can switch recommended exercises from easier to harder depending on preferences and ability.

• Provides animated GIFs and videos with step-by-step instructions on how to perform recommended exercises.
Retiree Organizations

IU Retiree Association [iura.indiana.edu]
Retired IU Faculty and Staff, Spouses and Partners

Emeriti House [emeritihouse.indiana.edu]
Retired IU Faculty and Librarians

IUPUI Senior Academy [senioracademy.iupui.edu]
Retired IUPUI Faculty and Staff

Retired Indiana Public Employees Association [ripea.org]
Retired Support Staff
Upcoming Road to Retirement Sessions

Register at: hr.iu.edu/benefits/road-to-retire.html

- **October 4 & 5** – PERF—Understand the Two Parts of the Plan
- **October 6** – Fundamentals of Retirement Income Planning
- **October 17** – Prepare for the Reality of Healthcare in Retirement
- **November 9** – PERF—Understand the Two Parts of the Plan
- **December 6** – Social Security Overview
- **December 8** – Fundamentals of Retirement Income Planning
- **December 14** – Preserving Your Savings for Future Generations
Thank You!

Questions?