

Welcome to Today's Webinar

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- **Chat:** Watch for information and resources from the event hosts. Chat technical issues to all panelists.
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Questions?



Use **Q&A** for subject-matter questions.



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Reminder

Please speak clearly and avoid using inappropriate language. Maintain a polite and respectful tone.



Welcome



SHIP
State Health Insurance
Assistance Program
Navigating Medicare



SMP
Senior Medicare Patrol

Preventing Medicare Fraud

MIPPA
Grantees



Postal Service Health Benefits (PSHB) Program

Training for SHIP/SMP Representatives

U.S. Postal Service

March 2024

Training Purpose

The purpose of the training is to orient SHIP & SMP representatives to assist in answering questions from annuitants and employees of the Postal Service regarding the new Postal Service Health Benefits (PSHB) Program





Course Goals

Upon completion of this training, you will be able to:

- 1** Understand key definitions for the Postal Service Health Benefits (PSHB) Program
- 2** Understand how the 2022 Postal Reform Act impacts annuitants of the Postal Service
- 3** Understand important resources to direct annuitants for additional information
- 4** Understand frequently asked questions (FAQ) expected from annuitants and employees
- 5** Case studies of common situations



Definitions

- **Annuitants**
- **Federal Employees Health Benefits (FEHB) Program**
- **Office of Personnel Management (OPM)**
- **Open Season**
- **Postal Service Reform Act of 2022 (PSRA)**
- **Postal Service Health Benefits (PSHB) Program**
- **Special Enrollment Period**



Definitions

Annuitants

- Annuitant is a term used by the Postal Service to indicate someone who has retired from federal service. The term is also synonymous with the term "retiree".

Federal Employees Health Benefits (FEHB) Program

- The FEHB Program is the largest employer-sponsored group health insurance program in the world, covering almost 9 million people including employees, annuitants, and their family members, as well as some former spouses and former employees. The FEHB Program offers fee-for-service plans, Health Maintenance Organizations (HMOs), and plans offering a Point of Service (POS) product.

Office of Personnel Management (OPM)

- The Office of Personnel Management manages the civil service of the federal government, coordinates recruiting of new government employees, and manages their health insurance and retirement benefits programs.

Open Season

- The Open Season period takes place yearly. From November 11 through December 9, 2024, annuitants and employees will be able to review available plans and select an option that suits the needs of them and their family. This period is also referred to as Open Enrollment.

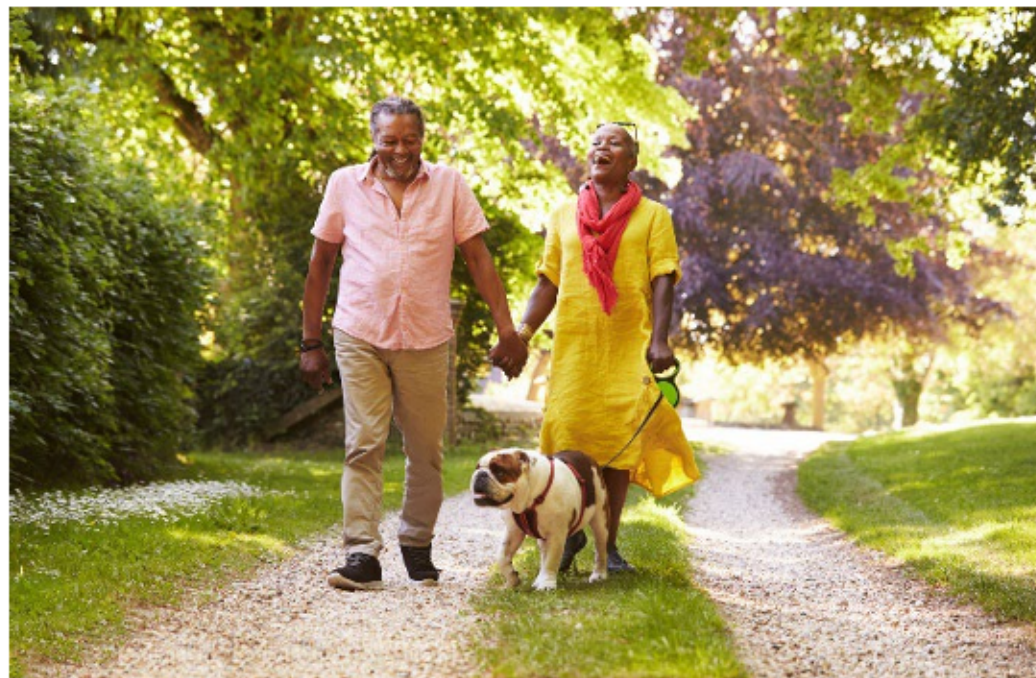
Postal Service Reform Act of 2022 (PSRA)

- The PSRA was passed in 2022 and contains provisions that impact the Postal Service, Postal employees, and Postal annuitants. A key provision is the implementation of the Postal Service Health Benefits Program for employees and annuitants participating in the Federal Employees Health Benefits program.

Definitions cont.

Postal Service Health Benefits (PSHB) Program

- The Postal Service Health Benefits (PSHB) Program is a new, separate program within the Federal Employees Health Benefits (FEHB) Program, administered by the Office of Personnel Management (OPM), which will provide health insurance to eligible Postal Service employees, Postal Service annuitants, and their eligible family members starting in 2025.
- **PSHB Special Enrollment Period (SEP)**
- If annuitants are entitled to Medicare Part A (typically at age 65) prior to January 1, 2024, and have not enrolled in Medicare Part B, they and their covered, eligible family members may be able to participate in the PSHB special enrollment period for Medicare Part B that starts on April 1, 2024, and ends on September 30, 2024. This PSHB SEP is a one-time event and will not be offered again. USPS will be mailing annuitants postcards if they qualify for the PSHB SEP; samples are provided on the next slide.

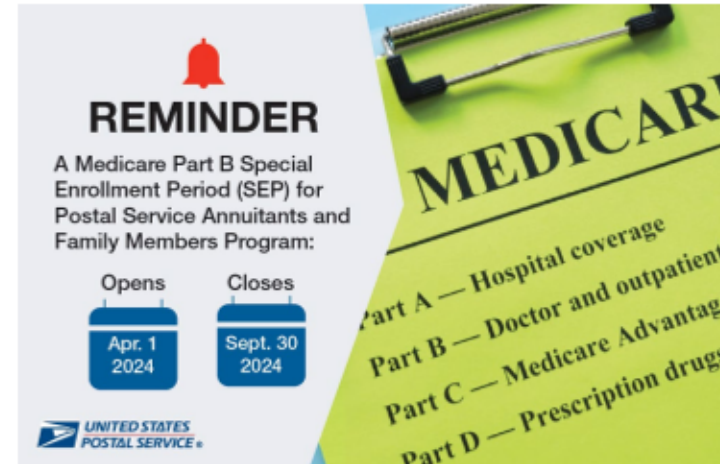


Sample Postcards

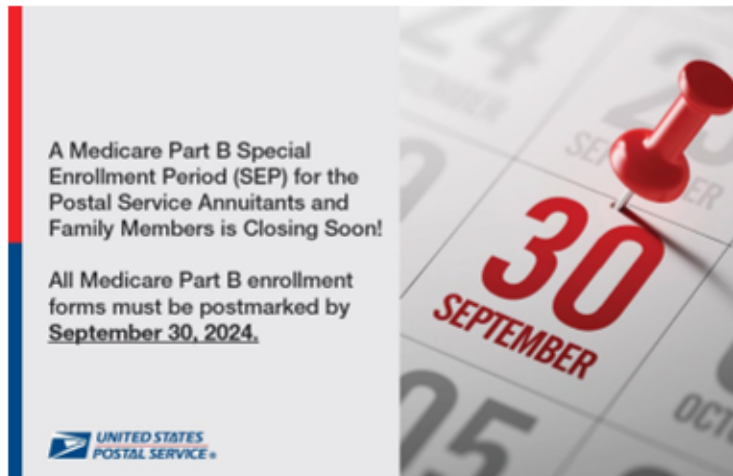
Postcard #1



Postcard #2



Postcard #3



Postcard #1 language (consistent language is used in all 3)





Sample Eligibility Notice

Eligibility Notice for Medicare Part B Special Enrollment Period (SEP)
For Covered Family Members of Postal Service Annuitants

<<Name>>
<<Address>>
<<City, State ZIP>>

<<Date>>

Dear <<Name>>:

This notice gives you important information about enrolling in Medicare Part B. We encourage you to read this notice thoroughly for information that impacts your health benefits coverage in 2025. According to records, you must take action to preserve your eligibility as a covered family member in the Postal Service Health Benefits (PSHB) Program.

The Postal Service Reform Act of 2022 and How It Affects You

You are eligible for a Medicare Part B Special Enrollment Period (SEP) established by the Postal Service Reform Act of 2022 (PSRA). This SEP applies to Postal Service annuitants and their covered family members who are entitled to Medicare Part A but are not currently enrolled in Medicare Part B.

Under the PSRA, if the primary enrollee is entitled to Medicare Part A and is enrolled in Medicare Part B as of January 1, 2025, the enrollee's covered family members who are entitled to Medicare Part A must also be enrolled in Medicare Part B by January 1, 2025, to remain eligible for PSHB coverage, unless a Medicare Part B exception applies. According to records, the primary enrollee is enrolled in Medicare Part B, and you are entitled to Medicare Part A but are not currently enrolled in Medicare Part B. If the primary enrollee remains enrolled in Medicare Part B as of January 1, 2025, you may also be required to enroll in Medicare Part B by January 1, 2025, to remain eligible for PSHB coverage.

What You Need to Do to Avoid the Late Enrollment Penalty

You must enroll in Medicare Part B during the SEP between **April 1, 2024, and September 30, 2024**, if the primary enrollee remains enrolled in Medicare Part B, to avoid having to pay a Medicare Part B late enrollment penalty. Once you enroll, your Medicare Part B coverage effective date will be January 1, 2025.

You may qualify for an exception to the mandatory Medicare Part B enrollment requirement if you or the primary enrollee are:

- Enrolled in health care benefits provided by the Department of Veterans Affairs.
- Eligible for health services provided by the Indian Health Service; or
- Residing outside of the United States (which includes the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands) provided you demonstrate this to the Postal Service.

If you meet one or more of these exceptions, you must provide proof in accordance with the procedures established by the responsible agencies.



Mailing Schedule of Postcards and Notification Letters

| Item | Send Date |
|---|------------------|
| First postcard informing annuitants that the PSHB SEP is coming starting April 1, 2024 | January 19, 2024 |
| Notification letters to annuitants who are eligible to participate in the PSHB SEP | March 15, 2024 |
| Second postcard informing eligible annuitants that the PSHB SEP is now open | May 2024 |
| Third and final postcard informing eligible annuitants that the PSHB SEP will be closing soon on September 30, 2024 | August 2024 |

Overview of Impacted Populations

| Group | Eligibility Requirements | Medicare Requirement | Additional Note |
|--|---|--|---|
| Annuitants* (retirees) | <ul style="list-style-type: none"> -Participating in FEHB as of 12/31/24 -Retired on or before 12/31/24 | <ul style="list-style-type: none"> -No Requirement to enroll in Medicare Part B. -Eligible for PSHB Special Enrollment Period (SEP) if Medicare eligible and not enrolled in Medicare as of January 1, 2024 -If not yet Medicare eligible, enrollment period would remain the 3 months prior to, month of, and 3 months following the 65th birthday | If enrolled in Medicare Part B as of 1/1/2025, they must remain enrolled in order to continue participation in PSHB program |
| Covered Family members of Annuitants | <ul style="list-style-type: none"> -Participating in FEHB as of 12/31/24 | <ul style="list-style-type: none"> -No requirement to enroll in Medicare Part B unless the primary PSHB enrollee is enrolled in Medicare Part B. If so, family is required to enroll when they become eligible for Medicare Part B. -If not yet Medicare eligible, enrollment period would remain the 3 months prior to, month of, and 3 months following the 65th birthday | If enrolled in Medicare Part B as of 1/1/2025, they must remain enrolled in order to continue participation in PSHB program |
| Active Employees age 64 or older, as of 12/31/24 | <ul style="list-style-type: none"> -Participating in FEHB program as of 12/31/24 | <ul style="list-style-type: none"> -No requirement to enroll in Medicare Part B -Enrollment period is post-employment, in conjunction with their 65th birthday or the 8-month period following retirement. | If they opt to enroll in Medicare Part B, they must remain enrolled |
| Active employees under age 64 | <ul style="list-style-type: none"> -Participating in FEHB program as of 12/31/24 | <ul style="list-style-type: none"> -Required to enroll in Medicare Part B post-employment, when they become eligible -Enrollment period is post-employment, in conjunction with their 65th birthday or the 8-month period following retirement. | -Must remain enrolled to participate in PSHB unless covered by an exception |

*Postal Annuitants identified as Medicare eligible and not participating as of 1/1/2024 will be invited to enroll in Medicare during the SEP and have LEP paid by the Postal Service.



Understanding Enrollment into the PSHB Program for Annuitants

- **Enrollment**
- **Integration with Medicare**
- **PSHB Special Enrollment Period (SEP)**
- **Impact to Annuitants 65 and older**
- **Impact to Covered Family Members**
- **Understanding Income Related Monthly Adjustment (IRMAA)**
- **Risks for Annuitants who do not Enroll in Medicare Part B**
- **Exceptions**



Understanding Enrollment into the PSHB Program for Annuitants cont.

Enrolling in the PSHB Program

- You are required to select a health insurance plan in the PSHB Program during the 2024 Open Season period, which will run from November 11, 2024, to December 9, 2024. If you do not actively select a PSHB plan, you will be automatically enrolled in a comparable plan under the PSHB program offered by your current provider. PSHB plan options and premium information will be available in fall 2024.

How the PSHB Integrates with Medicare

- The PSHB Program requires certain annuitants to enroll in Medicare Part B to continue PSHB coverage in retirement. If you are **an annuitant as of January 1, 2025, and did not enroll in Medicare Part B, you ARE NOT required to enroll in Medicare Part B** to continue your health insurance coverage in the new PSHB Program. Your participation in Medicare Part B is voluntary.
- If you are **an annuitant as of January 1, 2025, and are already enrolled in Medicare Part B as of that date, you ARE required to remain enrolled in Medicare Part B** to continue coverage under PSHB.

Understanding Enrollment into the PSHB Program for Annuitants cont.

Information for Annuitants 65 and older

- If you are an annuitant entitled to Medicare Part A (typically at age 65) as of January 1, 2024, and have not enrolled in Part B, you may have the option to enroll in Medicare Part B during the PSHB Special Enrollment Period (SEP). Note that if your individual initial enrollment period or individual special enrollment period overlaps with the PSHB SEP, your election will be processed as if you were electing to participate as part of your individual enrollment opportunity, and your coverage will be effective the month following the submission of your enrollment form. If your individual enrollment period does not overlap, your coverage will be effective January 1, 2025, as part of the PSHB SEP.

How PSHB Impacts Covered Family Members

- As a general rule, spousal and family member PSHB coverage is based on the primary enrollee's eligibility. If you are an annuitant enrolled in Medicare Part B, your covered spouse is also required to enroll in Medicare Part B upon their eligibility unless they qualify for an exception to the enrollment requirement.



Understanding Enrollment into the PSHB Program for Annuitants cont.

Risks for Annuitants who don't Enroll in Medicare Part B

- Beginning January 1, 2025, the PSHB Program will be the only health benefits program available through the Postal Service to Postal Service employees, Postal Service annuitants, and their eligible family members. Unless they meet a specific exception, as outlined next, Postal Service Medicare covered annuitants and their Medicare covered members of family will be required to enroll in Medicare Part B or will lose their eligibility to continue enrollment in the PSHB Program. Once this eligibility is lost, it cannot be reinstated.

Exceptions to Medicare Part B Enrollment

- For individuals who become annuitants after January 1, 2025, there are exceptions to the Part B enrollment requirement. These exceptions will also apply to your covered family member(s). Annuitants will be responsible for providing proof of eligibility for the applicable exception(s) to the designated agency. These exceptions are:
 - You were an active Postal Service employee as of December 31, 2024, and were at least 64 years old as of that date; or
 - You provide proof that you reside outside the United States and its territories; or
 - You provide proof that you are enrolled in health care benefits provided by the Department of Veterans Affairs; or
 - You provide proof that you are eligible for health services provided by the Indian Health Service

Medicare Summary

| Medicare and Plan Options | Premiums you Pay |
|--|-----------------------------------|
| A + B + PSHB | Part B + PSHB |
| C -- Group Medicare Advantage <u>within</u> PSHB | Part B + PSHB |
| C -- Individual Medicare Advantage <u>outside</u> PSHB (suspend FEHB) | Part B + Medicare Advantage |
| A + B + D (premium-free Part D <u>within</u> PSHB) | Part B + PSHB |
| A + PSHB (no Part B) | PSHB only |
| A + B + TRICARE (Military retirees) | Part B only |
| A + B + Medigap/Supplement + D (For those not eligible to continue PSHB coverage) | Part B + Medigap + Part D premium |

Understanding Enrollment into the PSHB Program for Annuitants cont.

Income-Related Monthly Adjustment (IRMAA)

For some individuals, an income-related monthly adjustment (IRMAA) may be assessed. The IRMAA is a surcharge that is assessed to individuals that exceed the established modified adjusted gross income.

New Medicare beneficiaries will be notified in writing by the SSA if they are subject to IRMAA. Additionally, new beneficiaries have an opportunity to appeal the IRMAA surcharge if there is a life-changing event that has impacted your household income.

As a reminder, the premiums for Medicare are established annually by CMS and SSA. The premium that beneficiaries pay is determined by their filing status and modified adjusted gross income, as reported on their IRS tax return they from filed 2 years prior to the current year.

The IRMAA income thresholds can be found at: <https://secure.ssa.gov/poms.nsf/lnx/0601101020>



Resources for Annuitants

Online

- <https://www.keepingposted.org>
- www.OPM.gov

Email

- retirementbenefits@usps.gov

Mail

- 475 L'Enfant Plaza SW Suite 9670 Washington, DC 20260

PSHB Navigator Help Line

- 833-712-PSHB (7742)

Fax

- 202-268-3337

Accessibility

- Federal Relay Service: 1-800-877-8339

Text

- Text PSHBP to3 9369





Frequently Asked Questions (FAQ)

- **Coming changes**
- **Late Enrollment Penalty**
- **SEP notification letters**
- **Actions to take**
- **SEP Deadline**
- **Paying for Medicare**
- **Enrolling in Medicare Part C and/or D**



Frequently Asked Questions (FAQ)

What changes are coming to Postal Service annuitants?

- The Postal Service Health Benefits (PSHB) Program is a new, separate program within the Federal Employees Health Benefits (FEHB) Program and will be administered by OPM. Coverage under the PSHB Program will be effective January 1, 2025. Annuitants are required to select a health insurance plan in the PSHB Program during the 2024 Open Season period, from November 11, 2024 – December 9, 2024. Some annuitants could qualify for the one-time PSHB Special Enrollment Period (SEP).

Will annuitants who use the PSHB SEP to enroll in Part B have a late enrollment penalty?

- During the one-time PSHB SEP, from April 1, 2024 through September 30, 2024, eligible annuitants and family members may enroll in Medicare Part B without paying a late enrollment penalty. The late enrollment penalty is paid by the Postal Service. The late enrollment penalty will only be covered during the one-time SEP. If you are a covered family member of an annuitant, please refer to your notification letter to determine if you have the option, or are required to, enroll in Medicare Part B and are eligible to enroll during the PSHB SEP.

What if I lose the PSHB SEP notification or believe I am eligible to participate in the PSHB SEP and did not receive a notification?

- If you have misplaced the notification letter mailed to you or believe that you are eligible to participate in the PSHB SEP and did not receive notification letter, please contact the PSHB Navigator Help Line's toll-free number at 833-712-PSHB (7742), or email retirementbenefits@usps.gov.

Frequently Asked Questions (FAQ) cont.

What actions do current annuitants need to take?

- No action is needed at this time – your current FEHB enrollment will continue unless you make any changes prior to January 2025. In the coming months, the following actions may be taken as they apply to your specific circumstance:
 - The PSHB SEP is from April 1, 2024, to September 30, 2024. You will be notified in March 2024 if you qualify. All required information must be returned in the envelope provided and postmarked by September 30, 2024.
 - PSHB plan options and premium information will be available in late-summer 2024.
 - You are encouraged to select a health insurance plan in the PSHB Program during the 2024 Open Season period, from November 11, 2024 – December 9, 2024. If you do not make an election, you will be transitioned to the most comparable plan available.
- OPM will launch a new enrollment platform for health insurance. Information on how to make elections using the new system will be available prior to the 2024 Open Season.

Who is required to enroll in Medicare to continue to be enrolled in the PSHB Program?

- If you are an annuitant as of January 1, 2025, and are already enrolled in Medicare Part B, you are required to remain enrolled in Medicare Part B to continue coverage under PSHB; the same circumstances apply to eligible family members. If you are not currently enrolled in Medicare Part B, you will not be required to enroll, but keep in mind that enrollment in Medicare Part B may reduce your overall costs for healthcare-related expenses and may provide greater value.



Frequently Asked Questions (FAQ) cont.

How will annuitants pay their Medicare Part B premium?

- There is a premium for Medicare Part B that most people pay monthly through their Social Security benefits payment. In the event that your Social Security benefits payment is not enough to cover the cost of your Medicare Part B premium, you will be billed. For some individuals, an income-related monthly adjustment amount (IRMAA) may be assessed. The IRMAA is a surcharge that is assessed to individuals that exceed the annually established modified adjusted gross income thresholds, which can be found at www.Medicare.gov.

Can a beneficiary drop PSHB plan coverage and enroll in a Medicare Advantage Plan (Medicare Part C)?

- Yes, you may suspend your PSHB plan coverage and enroll in a Medicare Advantage Plan. If you choose to select a privately offered Medicare Advantage plan during the 2024 Open Season period, you will need to complete and submit Standard Form RI 79-9 – [Health Benefits Cancellation/Suspension Confirmation form](#).
- If you are an annuitant who is currently suspending your FEHB coverage to participate in a Medicare Part C (Medicare Advantage) or other eligible outside insurance plan, your suspended status will transfer to the PSHB Program. You will maintain your eligibility to enroll in the PSHB program during any future Open Season period. If you want to reinstate your coverage during the 2024 Open Season, you will need to submit your enrollment election during the Open Season period.
- Note that Medicare Advantage Plans will also be offered within the PSHB Program.



Frequently Asked Questions (FAQ) cont.

What are the exceptions to enrollment in the PSHB Program?

- There are a few exceptions to the requirement to enroll in Medicare Part B as an annuitant or annuitant's Medicare eligible family members:
 - Residing outside of the United States and its territories. You are required to follow the policy and procedure set forth by the Postal Service to be eligible for this exception. This exception requires that an annual certification be submitted to the Postal Service with proof of residency.
 - Annuitants who are enrolled in healthcare benefits provided by the Department of Veterans Affairs.
 - Eligible for health services provided by the Indian Health Service.

What if an annuitant misses the PSHB SEP deadline to enroll in Medicare Part B?

- If you are an annuitant and miss the PSHB SEP, you will still have the ability to enroll in Medicare Part B during General Enrollment from January 1 – March 31 each year.

Does an annuitant need to enroll in Medicare Part D if they participate in the PSHB Program?

- Under the PSHB Program, if you are Medicare eligible, your plan will automatically include Medicare Part D coverage. Premiums for Medicare Part D will be included in the premiums* you pay for your PSHB plan. Your PSHB plan carrier will auto-enroll you in Part D when you become Medicare eligible.

*If you are subject to IRMAA, you may be required to pay a surcharge in addition to your PSHB plan premium.

Case study 1: PSHB coverage

- John retired on April 3, 2023, and has Medicare Part A coverage. He is concerned about how the new PSHB Program within the FEHB Program will impact his healthcare.
- John is also hearing a lot about how Medicare integrates with the new program, specifically Medicare Part B, and wonders if his wife, who is covered under his insurance will also be impacted.

Case study 1: Answer

- Since John retired on or before December 31, 2024, will need to choose a new plan under the PSHB Program, although his Medicare Part A coverage will not be impacted. Additionally, he will not be required to enroll in Medicare Part B.
- There are some things John might want to consider with the implementation of the PSHB Program:
 - Enrollment in Medicare Part B may reduce his overall costs for healthcare-related expenses and may provide greater value.
 - If John opts to enroll in Medicare Part B, his spouse will also be required to enroll in Medicare Part B.

Case study 2: PSHB coverage

- Elizabeth has been working for the Postal Service for over 30 years and plans to retire in the Summer of 2025 when she turns 62. She is wondering how the switch to the implementation of the PSHB Program will impact her healthcare coverage.

Case study 2: Answer

- If you retire after January 1, 2025, and you are under 64, you **are** required to enroll in Medicare Part B once you become eligible, unless an exception applies.
- This means when Elizabeth retires in the Summer of 2025, she will be required to enroll in Medicare Part B once she reaches age 65 to retain her PSHB coverage in retirement.
 - It is important for Elizabeth to note that if she does not enroll in Medicare Part B when she first becomes eligible, she may be subject to a late enrollment penalty and may have her PSHB coverage terminated.

Case study 3: PSHB coverage

- Joanne is 67 years old and is thinking of switching to a Medicare Part C (Medicare Advantage Plan) and is wondering how the new PSHB Program will impact her healthcare.

Case study 3: Answer

- If Joanne decides to enroll in a Medicare Part C (Medicare Advantage) plan, she will not need PSHB insurance.
- This means that Joanne's health insurance will not be impacted by the switch to the PSHB Program.
- It is important for Joanne to know that if she chooses to enroll in a Medicare Advantage plan, it's best to suspend her PSHB plan and not cancel it. If she were to cancel her PSHB coverage, she cannot get it back.
- It's worth noting that since Medicare Advantage Plans will also be offered within the PSHB Program, she may want to select one of these plans that is offered.

Case study 4: PSHB coverage

- Jack is 65 and retired from the armed forces before becoming a mail carrier for the Postal Service. He is now retiring from the Postal Service and wondering how the implementation of PSHB will impact his VA benefits and healthcare coverage through the Postal Service.

Case study 4: Answer

- Since Jack is retired from the armed forces, he is eligible to enroll in TRICARE for Life. Jack must enroll in Medicare Parts A & B to receive and maintain TFL. This means that Jack has the option of suspending his PSHB coverage if TFL provides sufficient coverage for himself and any eligible family members.
- Jack's TRICARE for Life insurance will pay 100% of most medical expenses when combined with Parts A & B. Note there is still a premium for enrollment in Medicare Part B.

Case study 5: PSHB coverage

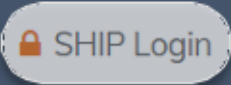
- Karen retired 5 years ago from the Postal Service. She currently has Medicare Part A through FEHB. She was recently diagnosed with diabetes and wonders what options are available to her before the PSHB Program is implemented on January 1, 2025.

Case study 5: Answer


- Since Karen was recently diagnosed with diabetes, it is probably best that she sign up for Medicare Part B, which gives more coverage for certain diabetes equipment and supplies, as well as additional doctors visits.
- Under the new PSHB Program, she may qualify for the one-time PSHB Special Enrollment Period (SEP). During this SEP, which runs from April 1, 2024 – September 30, 2024, she will be able to enroll in Medicare Part B without incurring the late enrollment penalty. The late enrollment penalty will be paid by the Postal Service.
 - Karen will find out if she qualifies for this SEP when the USPS mails out eligibility notices along with instructions in March 2024.

Webinar Resources in the Libraries



1. Login at  www.shiphelp.org
2. Go to the Resource Library
3. Search for keyword **“postal service”**.



1. Login at  smpresource.org
2. Search for keyword **“postal service”**.




1. Resources will be emailed to NCOA's MIPPA listserv.

Questions?

- Thank you for participating in today's webinar!
- Today's presentation is available for download in the Zoom chat.
- If you have questions later,

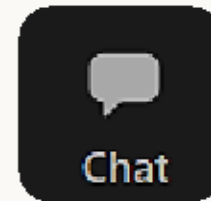
 info@shiptacenter.org

 info@smpresource.org

 centerforbenefits@ncoa.org



Use **Q&A** for subject-matter questions.



Use **CHAT** for technical support or resource questions.