

## Medical Insurance When You Retire or Reach Age 65

Retirement eligibility rules can be found at [hr.ou.edu/Employees/Retiring-from-OU](http://hr.ou.edu/Employees/Retiring-from-OU).

**NOTE:** After retirement, you will receive most information about insurance and Medicare through the mail. Because of this, it is important that you notify OU Human Resources and the Social Security Administration if your mailing address changes.

### How is OU medical insurance different before and after I reach age 65?

- ▶ **Retirees under Age 65:** You will be enrolled in the retiree version of the same medical insurance plan and coverage you had as an active employee.
- ▶ **Retirees Age 65 and above:** You will be automatically enrolled in the Medicare Advantage Plan. You must also enroll in Medicare Part A and Part B. See pg. 2.
- ▶ **Active Employees Age 65 and above:** Eligible active employees or their eligible spouses must enroll in Medicare Part A. See pg. 2.

### What happens to my employee medical insurance when I retire?

When you retire, your employee medical insurance will end and you will be enrolled in an OU retiree medical insurance plan based on your age. You may receive new insurance membership cards in the mail. The medical insurance provider will also mail you a Certificate of Credible Coverage documenting your previous employee medical insurance. Keep this certificate in a safe place because you may be asked in the future to show proof of past medical coverage.

### Can I opt out of OU retiree medical insurance?

Yes. If you have other medical insurance coverage through another employer or spouse, you may consider a one-time opportunity to opt-out of OU retiree medical plan coverage and preserve future eligibility. If you opt out, your dependents are also opted out. Read more details on the Medical Insurance tab at [hr.ou.edu/Retirees/Retiree-Insurance-Benefits](http://hr.ou.edu/Retirees/Retiree-Insurance-Benefits).

### Will OU pay my retiree medical insurance premiums?

#### Eligible for Retirement Before 01/01/2016

The university will 100% subsidize medical insurance premiums for employees and retirees that were eligible for retirement before 1/1/2016.

#### Eligible for Retirement On or After 01/01/2016 and Hired On or After 01/01/2008

Employees hired on or after Jan 1, 2008, may continue to participate in the medical and dental plans at group rates upon retirement by paying the full premium without university subsidy. This plan provision was adopted in 2007.

#### Eligible for Retirement On or After 01/01/2016 and Hired Before 01/01/2008

The university will subsidize medical premiums for employees that become eligible for retirement on or after Jan 1, 2016 at the percentages shown in the table below. The subsidy percentage paid by OU is determined by the employee's years of service at retirement and their age when participation begins.

Medical Insurance Premium Subsidy for Employees Eligible on or after Jan 1, 2016				
Age	Years of Service			
	10–14	15–19	20–24	25+
<b>Under 55</b>	Employees can retire with 25 years of service. No university subsidy until age 55.			
<b>55–61</b>	No subsidy	55% - Must meet rule of 80	65% - Must meet rule of 80	75%
<b>62–64</b>	55%	65%	75%	85%
<b>65 +</b>	65%	75%	85%	100%

**If you are receiving OTRS benefits in retirement, part of that benefit includes an OTRS contribution toward your medical insurance premiums.** The OTRS insurance subsidy is designed to decrease the retiree health insurance premium, which will decrease both your share and OU's share of your insurance premium. See the example calculation below. The OTRS insurance subsidy is applied the same way when the university pays 100% of a retiree's insurance premium – in that case, it reduces OU's share of the premium. Review more information at [ou.edu/healthcareoptions](http://ou.edu/healthcareoptions).

Example Calculation for an OTRS retiree with 75% university medical subsidy:		Example Norman Rate:	Example HSC Rate:
A	Total Premium for Pre-65 Retiree	\$789.31	\$804.36
B	OTRS Insurance Subsidy (amount paid by OTRS)	\$105	\$105
C	Remaining Premium (A - B)	\$684.31	\$699.36
D	OU Insurance Subsidy (amount paid by OU: 75% of C)	\$513.23	\$524.52
E	Retiree's Remaining Premium (C - D)	\$171.08	\$174.84

### What is Medicare and who uses it?

Medicare is the federal health insurance program for individuals who are 65 or older, qualified younger individuals with disabilities, and individuals with End-Stage Renal Disease. All participants in OU medical plans including active employees, retirees, and spouses become eligible for Medicare at age 65 and must enroll in Medicare to receive the fullest possible medical coverage.

### How do OU's retiree medical insurance and Medicare work together?

OU Medicare-eligible retirees will need to enroll in Medicare Part A and Part B. The UnitedHealthcare® Group Medicare Advantage (PPO) is a Medicare Advantage plan that delivers all the benefits of Original Medicare (Parts A and B), includes prescription drug coverage (Part D) and offers additional benefits and features. It is not a supplement plan and does not pay secondary to Medicare. All claims are submitted directly to UnitedHealthcare for payment, not Medicare. OU medical coverage for active employees is not affected when they enroll in Medicare.

### When do I enroll in Medicare?

All participants in OU medical plans including active employees, retirees, and spouses are encouraged to enroll in Medicare **three months before reaching age 65** by contacting their local Social Security Administration office or visiting [www.ssa.gov](http://www.ssa.gov). To avoid delays and monetary penalties, enroll as soon as you are eligible.

### What parts of Medicare do I need to enroll in?

Eligible active employees or their eligible spouses must enroll in Medicare Part A. Eligible retirees or their eligible spouses must **enroll in Medicare Part A and Part B**. Individuals in OU medical plans do not need to enroll in a Part D plan.

### What are the Parts of Medicare?

- ▶ Part A Hospital Insurance: covers inpatient hospital stays, care in a skilled nursing facility, hospice care, and some home health care.
- ▶ Part B Medical Insurance: covers certain doctors' services, outpatient care, medical supplies, and preventive services.
- ▶ Part C Medicare Advantage Plans: A type of Medicare health plan offered by a private company that is approved and contracts with Medicare to provide you with all your Part A and Part B benefits.
- ▶ Part D Prescription Drug Coverage: Part D adds prescription drug coverage to Original Medicare, some Medicare Cost Plans, some Medicare Private-Fee-for-Service Plans, and Medicare Medical Savings Account Plans.

### How do I transition to Medicare?

To ensure a smooth transition from employee medical insurance to Medicare coverage, you must send Human Resources your Medicare Part A and Medicare Part B numbers. These numbers are required for you to receive the OU provided Medicare retiree Medicare Advantage Plan.

You may continue to provide coverage for your spouse and dependents after retirement. You will be required to pay insurance premiums for these family members since you will no longer receive income from the university and payroll deductions will no longer be possible. **Please be sure to notify Human Resources if your mailing address changes.**

### **Questions?**

[hr.ou.edu/Contact-Us](https://hr.ou.edu/Contact-Us) | [ohr@ou.edu](mailto:ohr@ou.edu)

**Norman:** 405-325-1826

**HSC:** 405-271-2180

**Tulsa:** 918-660-3192