

Medicare and Federal Employee Health Benefits (FEHB)

The Federal Employees Health Benefits (FEHB) program covers current and retired government employees and their family members. FEHB plans are administered by the Office of Personnel Management (OPM) and provide health care benefits to millions of enrollees.

If you are covered by FEHB and eligible for Medicare or will be soon, you will need to decide when or if to enroll in Medicare. Note that although the FEHB program is employer coverage, the Medicare enrollment rules are different from standard employer coverage.

This guide explains how and when to enroll in Medicare if:

- You have FEHB based on current work
- You are retired or retiring soon and covered by FEHB



Medicare basics

First, let's review the basics. Medicare is a federal government health insurance program for U.S. citizens and many permanent legal residents age 65 and older. It also covers some younger people with disabilities or End-Stage Renal Disease. Once you join, it provides coverage for the rest of your life.

Medicare enrollees can choose between two options – Original Medicare or Medicare Advantage. Original Medicare has three forms of coverage:

Part A:

This covers inpatient hospital stays and also limited amounts of inpatient rehabilitation services offered at skilled nursing facilities.

Part B:

This covers doctors' visits and other outpatient care, plus ambulance services, some medical equipment and preventive health care aimed at keeping you from getting sick.

Part D:

This helps cover the cost of prescription drugs, both generic and brand-name.

Medicare Advantage is also known as **Part C**. This is an alternative to original Medicare parts A and B that allows you to choose to receive all of your Medicare health care benefits through a plan from a private insurer.

FEHB based on current work

In this section, you will learn about your Medicare enrollment decisions if you are covered by an FEHB plan based on your or your spouse's current work.

Deciding whether to delay enrollment

Your FEHB plan is always primary to Medicare during active employment, which means that your FEHB plan pays first on health insurance claims. You do not need to enroll in Medicare in addition to your FEHB plan because you already have FEHB as your primary coverage.

One reason to enroll in Medicare as secondary would be if you want or need secondary coverage. Many people qualify for premium-free Part A and decide to enroll in Part A as secondary coverage, since they do not have to pay anything to be enrolled. You are eligible for premium-free Part A if you have at least 40 calendar quarters of work in any job where you paid Social Security taxes in the U.S. If you do not have the required work history but your spouse does, you can qualify for premium-free Part A based on their work record. If you enroll in Medicare Part B while you are still working, you will owe an additional premium for Medicare Part B.

Medicare will then pay second for all or part of what FEHB did not pay. This means you will pay more per month in insurance premiums, but you will pay less when receiving medical care.



Enrolling in Medicare when first eligible

If you are turning 65 soon and have decided to enroll in Medicare as secondary coverage, it is best to enroll in Medicare Part A and Part B during your Initial Enrollment Period (IEP). The IEP is three months before, the month of, and three months after your 65th birthday month.

If you enroll in Medicare during the three months before you turn 65, your Medicare coverage begins on the first day of your birthday month.

If you enroll in Medicare later during your IEP, your Medicare start date will be delayed by a few months.

To enroll in Medicare during your IEP:

- ☐ **Call the Social Security Administration (SSA) at 800-772-1213**
- ☐ **Enroll online at <https://secure.ssa.gov/iClaim/rib>**
- ☐ **Visit a local Social Security office: <https://www.ssa.gov/locator>**

FEHB based on current work

Enrolling in Medicare past age 65

If you are 65+ and want to enroll in Medicare as secondary, first call Social Security at 800-772-1213 to enroll in Part A.

Then, you will use the Part B Special Enrollment Period (SEP) to enroll in Part B.

To enroll in Medicare using the Part B SEP, you'll need two forms:

- ☐ **CMS 40B**
(Application for enrollment in Medicare)
- ☐ **CMS L564**
(Request for employment information)

You can access these forms online or contact SSA to request copies.

Fill out and sign CMS 40B and ask your employer to complete CMS L564. Be aware that if you have had job-based insurance from multiple employers since you became eligible for Medicare, you should ask each employer to complete a separate CMS L564 form.

Once you have gathered all needed documents, either go to your local Social Security office to drop off your application or send your application to their mailing address. To find your local Social Security office, visit <https://www.ssa.gov/locator> or call Social Security at 800-772-1213. Be sure to make copies of everything you submit.

You can also use the Part B SEP online at <https://secure.ssa.gov/mpboa/medicare-part-b-online-application>. You will not need form CMS 40B, but you will still need form CMS L564 from your employer. You will be asked to upload it as proof that you had coverage based on current work.



FEHB retiree coverage

In this section, you will learn about Medicare enrollment decisions if you are covered by FEHB retiree coverage. There are different considerations for Part B and Part A.

Medicare Part B enrollment

FEHB plans continue paying primary for retirees who do not enroll in Medicare Part B. FEHB is only secondary if you enroll in Part B. Some people enroll in Medicare Part B when they are first eligible, and others choose not to enroll in Medicare Part B at all. Note that if you do delay Part B enrollment, and you want to enroll in Part B in the future, you may face penalties and gaps in coverage.

Whether to enroll in Part B or use FEHB as primary coverage is a personal decision, based on your individual circumstances. There may be multiple FEHB plans available to you, so you should look at the costs and benefits of each insurance plan and make the choice that's best for you. Questions to consider include:

- Which forms of insurance do your providers take?
- Which kind of services do you use regularly?
- Which coverage offers the flexibility you need?

If you stay enrolled in FEHB and also take Part B:

- Medicare will be primary
- FEHB may cover your Medicare cost-sharing (deductibles, copayments, coinsurances)
- You owe a premium for Medicare Part B and your FEHB plan

If you stay enrolled in FEHB and do not enroll in Part B:

- Your FEHB plan will continue providing the same coverage it did when you were actively employed
- You owe a premium for your FEHB plan
- Some people choose to enroll in Part A because it is premium-free but turn down Part B because of the additional monthly premium

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FEHB retiree coverage

When to enroll in Part B

If you decide to enroll in Medicare Part B in addition to your FEHB, your enrollment process depends on your situation.

You are turning 65 soon

If you are turning 65, currently have FEHB retiree benefits, and decide to enroll in Medicare, you should enroll during your Initial Enrollment Period (IEP). The IEP is the three months before, the month of, and the three months after your 65th birthday month.

It is best to enroll in Medicare during the three months before you turn 65 so that your Medicare coverage begins on the first day of your birthday month. If you enroll in Medicare later during your IEP, your Medicare start date will be delayed by a few months.

To enroll in Medicare during your IEP:

- ☐ **Call the Social Security Administration (SSA) at 800-772-1213**
- ☐ **Enroll online at <https://secure.ssa.gov/iClaim/rib>**
- ☐ **Visit a local Social Security office: <https://www.ssa.gov/locator>**

You are currently working and are retiring soon

If you are retiring soon and want to enroll in Medicare Part B in addition to your FEHB retiree coverage, it is best to enroll in Part B a month or two before you retire so that your Medicare begins the month your retiree benefits also start. Note, however, that you have eight months after you stop working to enroll in Medicare without penalty.

To enroll in Medicare using the Part B SEP, you'll need two forms:

- ☐ **CMS 40B**
(Application for enrollment in Medicare)
- ☐ **CMS L564**
(Request for employment information)

You can access these forms online or contact SSA to request copies.

Fill out and sign CMS 40B and ask your employer to complete CMS L564. Be aware that if you have had job-based insurance from multiple employers since you became eligible for Medicare, you should ask each employer to complete a separate CMS L564 form.

Once you have gathered all needed documents, either go to your local Social Security office to drop off your application or send your application to their mailing address. To find your local Social Security office, visit <https://www.ssa.gov/locator> or call Social Security at 800-772-1213. Be sure to make copies of everything you submit.

You can also use the Part B SEP online at <https://secure.ssa.gov/mpboa/medicare-part-b-online-application>. You will not need form CMS 40B, but you will still need form CMS L564 from your employer. You will be asked to upload it as proof that you had coverage based on current work.

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FEHB retiree coverage

You delayed Medicare enrollment when you turned 65, and you retired more than eight months ago

If you delay Medicare enrollment and later decide to enroll, you will likely have to use the General Enrollment Period (GEP) to enroll in Medicare. The GEP runs January 1 through March 31 of each year, and coverage does not begin until July 1.

Enrolling during the GEP usually results in a Part B late enrollment penalty. It is therefore important to consider whether you will enroll in Medicare, pay FEHB and Medicare premiums, and avoid a penalty, or whether you will keep FEHB as primary and accept the risk of an LEP if you ever want Part B in the future.

Medicare Part A enrollment

If you are eligible for premium-free Part A, you can enroll in Part A at any time. When you enroll, Part A will be retroactive up to six months.

If you enroll in Part A **only**, it will pay secondary to your retiree FEHB plan.

If you enroll in Part A in addition to Part B, Part A will pay primary to your retiree FEHB plan.

To enroll in premium-free Part A, call SSA at 800-772-1213 or visit a local Social Security office (<https://www.ssa.gov/locator>). You are eligible for premium-free Part A if you have at least 40 calendar quarters of work in any job where you paid Social Security taxes in the U.S. If you do not have the required work history but your spouse does, you can qualify for premium-free Part A based on their work record.

If you are not eligible for premium-free Part A, you should enroll in Part A using the IEP or Part B SEP.

FEHB retiree coverage

FEHB and Medicare Part D enrollment

FEHB plans offer creditable drug coverage, so Medicare-eligible current employees and retirees enrolled in FEHB can delay Part D enrollment without incurring a late enrollment penalty.

If you lose FEHB coverage, you have a two-month Special Enrollment Period to enroll in Part D. You should compare the costs and benefits of your FEHB plan and Part D plans in your area to decide which best suits your needs. Look at each plan's list of covered drugs, copays, and coverage restrictions for the drugs you take.

FEHB and Medicare Advantage Plan Enrollment

If you have FEHB and would like to enroll in a Medicare Advantage Plan (a private plan that provide Medicare Part A, B, and usually D benefits), you must first suspend your FEHB. You may be limited in your ability to re-enroll in FEHB, so contact the Office of Personnel Management (OPM) before making a decision. Visit www.opm.gov or call 1-888-767-6738.

Resources

For help understanding Federal Employee Health Benefits:

- ☐ **U.S. Office of Personnel Management (OPM)**
www.opm.gov
888-767-6738

More information from the federal government's OPM about Federal Employee Health Benefits and a helpline for retirees

For help understanding Medicare enrollment decisions:

AARP:

- ☐ **AARP Medicare**
www.aarp.org/medicare
877-634-8213

Guidance to help you navigate Medicare enrollment

AARP Live and On Demand Webinars

- ☐ www.aarp.org/medicareemployer
Free webinars to help you explore how the program works, how and when to enroll, your menu of choices, how much it costs and where to get help

Medicare.gov

- ☐ www.medicare.gov
800-633-4227

The official US government website for Medicare offering helpful information, useful tools and more

Medicare Rights Center

- ☐ <https://www.medicarerights.org>
800-333-4114

A national, not-for-profit consumer service organization and reliable, independent source of Medicare information

- ☐ **State Health Insurance Assistance Program (SHIP)**
www.shiphelp.org
877-839-2675

A resource for local Medicare help, providing you with trusted, unbiased, one-on-one counseling and assistance