



The information in this factsheet is provided by the Senior Health Insurance Information Program (SHIP) in partnership with the Iowa Department of Veterans Affairs

## Medicare and VA Healthcare





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Many Veterans who are eligible to receive their health care at VA facilities may question their need to enroll in Medicare Part B and Part D. Before making a decision to decline Medicare benefits, ask yourself the following questions:

### Are you enrolled in the VA Healthcare system?

Many Veterans will make decisions about their Medicare benefits because they think they can receive all their care at the VA. To receive care at the VA you must first enroll by completing a VA10-10EZ application for health benefits. Once you enroll you will be assigned to an enrollment priority group. Your priority group determines what health care benefits you can receive at the VA and what you'll pay for these benefits (co-payments.)

### When do I need to sign up for Medicare?

If you are already getting benefits from Social Security or Railroad Retirement, you'll automatically get Medicare Part A and Part B starting the first day of the month you turn 65. If your birthday is on the first day of the month, your Medicare will begin the first day of the prior month.

If you're under 65 and disabled, you automatically get Part A and Part B after you get disability benefits from Social Security for 24 months. If you have ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease), you will get Part A and Part B automatically the month your disability benefits begin.

You will need to contact Social Security or the Railroad Retirement Board and sign up for Medicare if you are close to 65 and not receiving Social Security or Railroad Retirement benefits and you want Part A or Part B.

### Do I need to sign up for Medicare at age 65 if I have coverage through my own or my spouse's employer?

You can delay enrollment in Part B if you or your spouse is actively employed and you are covered by a group health plan through the employer of the actively employed person. If the employer has 20 or more employees, you or your spouse must be allowed to continue any health insurance coverage you had before age 65 and the employer plan pays primary (first).

Similar rules apply for those on Medicare due to disability. Call SHIIP for more details.

### Do I need to enroll in Part A?

Medicare Part A is free if you or your spouse paid Medicare taxes while working for at least 10 years. This is sometimes called premium-free Part A. If you aren't eligible for premium-free Part A, you may be able to buy Part A. Medicare Part A covers inpatient hospital care, skilled nursing facility care, hospice care and home health care. Although the VA provides all of these services, VA skilled nursing care is limited in Iowa.



### Do I need to enroll in Part B?

It is true you cannot use Medicare at VA facilities. However, if you enroll in Medicare Part B you will have access to non-VA healthcare including doctors, ambulance and hospital outpatient services. For most services Medicare Part B pays 80% of the Medicare-approved amount. This also provides you with more flexibility about where you can be seen if you **do not** have immediate access to a VA facility. If you decide not to enroll in Part B and you choose to use a non-VA provider, in most cases, the VA will not pay for your care and you will be responsible for 100% of the cost.

There is no guarantee\* that in future years Congress will appropriate sufficient medical care funds for VA to provide care for all enrollment priority groups. If you decline Part B because you want to get all of your care at the VA and later lose access to VA coverage, you will be subject to a late enrollment penalty when you enroll in Part B. **Each year (full 12 month period) you delay will result in a penalty of 10% of the current Part B premium.** If you delay two years the penalty would be 20%; a three year delay would be a 30% penalty. You will pay this penalty for life. If you don't sign up when you are first eligible, you can sign up between January 1- March 31 each year. Your coverage will begin July 1st of the same year.

### How close do you live to VA healthcare facilities?

By choosing not to enroll in Medicare Part B your options for receiving healthcare from non-VA providers will be limited. Are VA services available where you live? If not, you may want to consider enrolling in Part B.

### Should I consider purchasing a Medicare supplement?

Medicare supplement insurance is also called "Medigap" or "MedSup." It is private insurance designed to fill gaps in Medicare coverage. You must be enrolled in Part A and Part B to purchase a Medicare supplement. Depending on the plan, it will pay Medicare approved deductible and coinsurance costs at non-VA providers.

If you are age 65 or older and enroll in Medicare Part B for the first time, you have a guaranteed right to buy a Medicare supplement policy during a six-month open enrollment period. This means a company cannot reject you for any policy it sells and it cannot charge you more than anyone else your age. If you get Medicare due to a disability before age 65, you will get the open enrollment period at age 65.

### How will a Medicare Advantage Plan coordinate with my VA benefits?

A Medicare Advantage Plan is another option for receiving your Medicare Part A and Part B benefits. You are eligible to join if you have Part A and Part B, you live in the plan's service area and you don't have End-Stage Renal Disease (ESRD). Most of the plans include Medicare drug coverage commonly referred to as Part D. Before you enroll, you will need to check with your non-VA doctors, hospitals and other medical providers to see if they accept the plan.

You don't need a Medicare supplement if you are enrolled in a Medicare Advantage plan. You usually will have to pay a copayment or coinsurance for non-VA services you get. A Medicare Advantage Plan **will not pay your cost share** when you use VA providers.



## Do I need to enroll in the Medicare Part D prescription drug benefit?

If you receive your drugs through the VA health care system, your prescription drug coverage is considered to be “creditable” coverage.\* This means that your VA drug coverage is at least as good as the Medicare Part D coverage and you are **not required** to enroll in a Part D plan.

You may want to consider the flexibility afforded by enrolling in both VA and Medicare Part D drug coverage. If you are enrolled in both programs you would be able to obtain prescription drugs at your local retail pharmacy with Medicare Part D, including those not on the VA formulary. A formulary is a list of covered medications.

You may want to have a SHIIP counselor run a drug plan comparison to see if you

would save money by enrolling in a Medicare Part D drug plan. Every year between October 15 and December 7 you have an opportunity to enroll in a Part D plan or change plans if you are already enrolled.

## How can I get help with my Medicare costs?

If you have limited income and resources you may be eligible for help paying your Medicare costs. **Medicare Part D “Extra Help”** will help pay for your Part D premium and some of the cost of your prescriptions. The **Medicare Savings Programs** help pay Medicare premiums, deductibles and co-payments. Contact SHIIP at 1-800-351-4664 to see if you are eligible. SHIIP counselors are available to assist with your application (1-800-351-4664; TTY 1-800-735-2942)



## Contact Information

### Questions regarding VA benefits for you or your spouse:

Contact your local VA Medical Center eligibility department

### Questions about Medicare and the VA:

Call SHIIP 1-800-351-4664

(TTY 1-800-735-2942)

[www.therightcalliowa.gov](http://www.therightcalliowa.gov)

E-mail to: [shiip@iid.iowa.gov](mailto:shiip@iid.iowa.gov)

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