

When a retiree is eligible for Medicare (generally the first of the month in which the retiree attains age 65) and enrolls in Medicare Part A and Part B, RIT provides access to supplementary Medicare coverage through a private Medicare Exchange called Via Benefits. In addition, RIT provides financial support to help the retiree pay healthcare premiums and other qualifying healthcare expenses.

**Becoming Familiar with Medicare and Supplemental Plans Available Through Via Benefits**

Medicare benefits are broken into several component parts. To decide how to best meet your medical needs and budget, it helps to understand how these parts work together. The following outline will help familiarize you with the parts of Medicare and the decisions you must make.

What You Get From Medicare	
<b>Part A and Part B Original</b> Medicare consists of Part A and Part B.	
<b>Part A:</b> Part A provides you with inpatient care, and covers inpatient hospital stays, home healthcare, stays in skilled nursing facilities, and hospice care.	<b>Part B:</b> Part B provides you with outpatient care, and covers physician fees and other medical services not requiring hospitalization. <b>You must enroll in Part B and pay the Part B premium.</b> The amount of the premium is based on the retiree’s modified adjusted gross income. The standard premium for those who enroll in Medicare Part B in 2022 is about \$170 per month; this amount could be higher based on your income.

What You Choose From Via Benefits (Supplemental Plans)	
<b>You choose from three different types of supplemental plans that add coverage where original Medicare may have less than you require.</b>	
<b>Medicare Advantage</b>	<ul style="list-style-type: none"> <li>• Medicare Advantage is a plan offered by a private insurance company to provide you with your Medicare Part A and Part B (you must be enrolled in Part A and Part B) benefits plus additional benefits.</li> <li>• There are two types of Medicare Advantage plans: Medicare Advantage Prescription Drug (MAPD), which includes prescription drug coverage; and Medicare Advantage (MA), which does not, in which case you would elect separate prescription drug coverage.</li> <li>• Within these two Medicare Advantage plan types there are three doctor networks types: Health Maintenance Organization (HMO), Preferred Provider Organization (PPO) and Private Fee-For-Service Plans (PFFS).</li> </ul>
<b>Medigap</b>	<ul style="list-style-type: none"> <li>• Medigap is a supplemental insurance sold by private insurance companies to fill “gaps” in Original Medicare Plan coverage.</li> </ul>
<b>Part D</b>	<ul style="list-style-type: none"> <li>• Part D refers to prescription drug coverage, which is available to all people who are eligible for Medicare.</li> <li>• Plans are offered through private insurance companies.</li> </ul>

How to Decide
You combine Parts A and B with the supplemental plans you choose from Via Benefits to get a package of plans to cover your needs. Choosing the best combination requires some education and some comparison of plan features and costs. A Benefit Advisor from Via Benefits will help you with the comparison and decision process.

\* References to “retiree” also means eligible LTD recipient, spouse/partner, surviving spouse/partner

## **How to Enroll in Medicare**

In order to enroll in coverage through Via Benefits, you will need to be enrolled in Medicare Part A and Part B; this Medicare enrollment process should begin about three months prior to turning age 65. You can enroll in Medicare Part A and Medicare Part B in the following ways:

- Online at [www.SocialSecurity.gov](http://www.SocialSecurity.gov).
- By calling Social Security at 1-800-772-1213/V and 1-800-325-0778/TTY, Monday through Friday, from 7 a.m. – 7 p.m.
- In-person at your local Social Security office, with an appointment. Go to <https://www.ssa.gov/locator/> to find the office nearest you.

## **Via Benefits**

RIT's relationship with Via Benefits allows you to purchase an individual supplemental Medicare plan. Via Benefits is dedicated to making the transition to your new coverage as easy and straightforward as possible. With Via Benefit's assistance, retirees gain access to a number of different Medicare plans available in your geographic area, including those offered by the leading national and regional insurance companies, and including Excellus and MVP Health Care if you live in the Rochester area.

We understand that you will need to make important choices about your healthcare coverage and a Benefit Advisor from Via Benefits will provide you with assistance. The Benefit Advisors are objective, knowledgeable, non-commissioned and U.S.-based. The Benefit Advisor will give you personalized support and assistance to help you find and enroll in a plan that best fits your expected needs and your budget. The Benefit Advisor will provide:

- Individualized telephone support to help you make an informed and confident enrollment decision.
- Assistance in understanding the differences among various plans and the costs of each of those plans.
- Advice and decision-making support, based on your current coverage and expected future needs.
- Assistance with enrolling in medical and prescription drug plans, as well as a dental plan, if you wish.

To speak to a Benefit Advisor from Via Benefits, call the RIT dedicated toll-free number: 888-586-0693. In addition, Via Benefits offers a personalized website where you can find resources to help you understand and compare plan options, as well as enrollment information. Plan details and premiums are publicized annually around October 1 for the upcoming year. For example, plan and premium information for 2023 will not be available until after October 1, 2022. The web address for RIT retirees is <https://my.viabenefits.com/RIT> and you can access the site at your convenience 24 hours a day, 7 days a week.

***IMPORTANT:*** Please note that the enrollment call is recorded and tends to be a lengthy and detailed process, as prescribed by Medicare requirements. The Via Benefits representative is required to read detailed legal information about the plan and your enrollment. **You should plan on one to two hours to complete the decision and enrollment process.**

## **RIT Financial Support**

If you enroll in medical coverage through Via Benefits, RIT will provide

- **HRA benefits.** RIT will place your benefit dollars in an account called a **Health Reimbursement Arrangement (HRA)**. You and/or your eligible spouse/partner can be reimbursed from this account for healthcare premiums and eligible out-of-pocket healthcare expenses. See below for details.
- **Catastrophic prescription drug coverage.** In addition to Medicare prescription drug coverage, the plan you elect will include access to benefits from RIT that may help you cover the cost of catastrophic prescription drug expenses. Annually, the Federal Centers for Medicare and Medicaid Services (CMS) determines the Part D prescription drug amounts. For 2022,

“catastrophic” refers to prescription drug expenses that are greater than \$7,050 in a year. See below for details.

You must enroll in medical coverage through Via Benefits to be eligible for the HRA and the Catastrophic Rx HRA.

### What is an HRA?

A Health Reimbursement Arrangement (HRA) is an account, provided by RIT if you enroll in medical coverage through Via Benefits, which you can use to be reimbursed for eligible healthcare expenses. Reimbursements are not taxable to the retiree for expenses for the retiree and spouse, but are taxable for expenses for the domestic partner. Here is how it works:

- When you enroll for supplemental Medicare medical coverage through Via Benefits, RIT will establish a joint HRA for you and your eligible spouse/partner, if applicable. At the beginning of each calendar year, RIT will credit your account with the applicable HRA amount(s).
- You can use the funds to be reimbursed for eligible premiums and/or your share of qualifying out-of-pocket healthcare expenses during the year. After you enroll in medical coverage through Via Benefits, they will send you a *Funding Guide to Reimbursement* that explains the reimbursement process.
- Any dollars remaining in your HRA at the end of the calendar year **will roll over automatically** for you to use in future years, as long as you continue medical coverage through Via Benefits.
- Claims for reimbursement must be submitted by June 30 for the prior calendar year in order to be reimbursed.

### HRA Eligible Expenses

Healthcare expenses that are eligible for reimbursement are as follows:

- Medical, prescription drug, dental, and vision premiums (*pre-tax deductions from a paycheck are not eligible for reimbursement*)
- Medicare Part B premiums
- Qualifying out-of-pocket medical (excludes prescription drugs), dental, and vision expenses such as deductibles, copays and your share of coinsurance

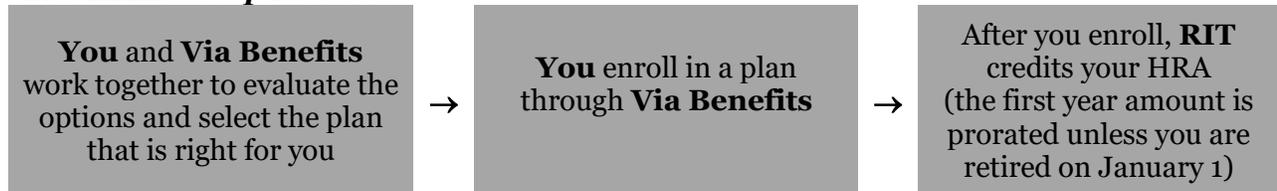
Healthcare expenses that are not eligible for reimbursement are as follows:

Medical

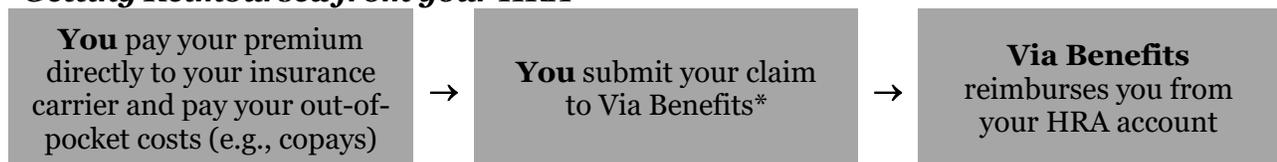
- Prescription drug out of pocket costs (e.g., deductible, copays)
- Long-term care premiums and out-of-pocket expenses are not eligible for reimbursement.

### How the HRA Works

#### **The HRA Set Up Process**



#### **Getting Reimbursed from your HRA**



\* Some insurance companies send proof of your premium payment to Via Benefits so you can be automatically reimbursed for your premium without submitting a manual claim to Via Benefits for reimbursement. Ask your Benefit Advisor about Via Benefits’ “Automatic Reimbursement.”

To help you understand the value of the HRA, we encourage you to look at plans that are available in your geographic area on the Via Benefits website (<https://my.viabenefits.com/RIT>) or contact a Benefit Advisor at Via Benefits at 888-586-0693. Prior to October 1, you will see current year plans and rates; the new year's plans and rates will become available each year around October 1. In 2022, there may be some plans available through Via Benefits for a *\$0 premium* in some geographic areas. There is at least one \$0 premium plan in the Rochester, NY area.

How can an insurance company offer a plan for a \$0 premium? Insurance companies can offer a \$0 premium plan because the federal government pays them a flat fee to provide Medicare benefits.

Many insurance companies offer a variety of Medicare Advantage plans with a range of different deductible, copay and coinsurance amounts with corresponding premiums. These plans have annual out-of-pocket maximums to protect retirees from huge costs. There are also Medicare Supplement plans and Medicare prescription drug plans available.

### About Catastrophic Prescription Drug Coverage

If you enroll in Medicare Part D prescription drug coverage through Via Benefits, whether through a separate prescription drug plan or as part of a Medicare Advantage plan that includes prescription drug coverage, your coverage will include access to benefits from RIT that may help cover “catastrophic” prescription drug costs that Medicare does not cover.

In 2022, if you enter the “catastrophic” level of Medicare Part D — which begins when you meet the annual true out-of-pocket maximum (referred to as TrOOP) set by Medicare each year — you will pay \$3.95 for generic drugs and \$9.85 for brand drugs or 5% of the drug cost, **whichever is greater**. The catastrophic level is reached when a participant reaches the Medicare prescription drug threshold of \$7,050 of prescription drug expenses.

Keep in mind that most participants will not enter the annual “catastrophic” level of coverage but, for those who do, RIT is providing this benefit for additional protection. ***This benefit is in addition to the funds that are in your own HRA.***

While RIT has defined a specific overall annual limit for this catastrophic coverage, it is expected that it will be sufficient to cover the needs of those retirees who reach this level of need. There is an annual limit to the amount an individual retiree can receive; in 2022, the amount is \$1,800. Reimbursements are not taxable unless they are for a domestic partner.

Via Benefits will administer the catastrophic prescription drug coverage; information about the reimbursement process is included in the *Funding Guide to Reimbursement*, which Via Benefits will mail to you after you have enrolled in medical coverage. For more information on catastrophic prescription drug coverage, please speak with a Benefit Advisor from Via Benefits.

### **Important HRA details**

- For those retirees who cover an eligible spouse/partner, the HRA will be a joint account, which means you both can be reimbursed for eligible premiums and qualifying out-of-pocket costs up to the total HRA balance.
- Any unused funds will roll over to the next year; there is no maximum amount or cap that can be rolled over; whatever the balance is can be rolled over year to year.
- The HRA is an annual amount that will be credited each January. For those who enroll through Via Benefits mid-year, the HRA in that first year will be prorated. For example, if you enroll July 1, the HRA in the first year would be one-half of that year's annual amount.
- If you married or entered a domestic partnership after your retirement from RIT, your spouse/partner would be eligible to obtain coverage through Via Benefits, but they would not have an HRA credit nor would they be able to access your HRA funds.

- If you cover an eligible domestic partner, reimbursements from the HRA for your domestic partner's claims will be taxable to you (this does not apply to reimbursements to you or your spouse). RIT will issue a Form 1099 annually for your tax reporting.
- **IMPORTANT if you work for RIT after retirement:** under Federal law, if you (or your spouse/partner; all references in this section include if your spouse/partner works for RIT) are employed by RIT after you have retired, in any position, including an adjunct position, you (and your spouse/partner) will NOT be eligible for reimbursement from the HRA for qualifying premiums or expenses that occur during the time you are employed by RIT. Once you leave RIT's employment, you will regain access to all of your unused HRA dollars.
  - a. If you return to RIT as an adjunct or in a regular faculty or staff position that is expected to last less than six months, you can remain in the retiree coverage through Via Benefits without access to the HRA while you are employed by RIT. After you re-retire, RIT will add the HRA credit(s) you otherwise would have received if you had not been working at RIT and your HRA balance will be available to you for expenses incurred *after* you stop working at RIT.
  - b. If you are hired in a regular faculty or staff position that is expected to last six months or more, your retiree coverage through Via Benefits will end and you will be eligible to enroll in the RIT employee coverage. There will be no HRA credits during your RIT re-employment period. You may enroll through Via Benefits when you later re-retire from RIT and you will receive an HRA credit for the year you re-retire, prorated based on your re-retirement date. For example, if you re-retire June 30, you would receive 50% of that year's HRA amount since you will be enrolled for half the year. Any balance that was in your HRA at the time you were re-employed will be reinstated when you re-retire.

Note that this rule does not apply if you are employed by a third party such as Datrose. Please note that there are legal rules governing when a person can be employed by a third party versus directly employed by RIT.

*The information in this document is a summary of the benefits as they currently exist. If there is any confusion or conflict regarding plan features, the plan document/contract will be the final authority. RIT reserves the right to change, modify, discontinue, or terminate benefits at any time for any reason.*