

RETIREE COVERAGE & MEDICARE



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FEHB **Federal Employee Health Benefits** – With over 9 million individuals, this is the largest “group” insurance market in the nation. FEHB works as its own private marketplace where beneficiaries have choices of plans depending on their local market. If desired, federal retirees can suspend their federal benefits to go on a Medicare Advantage plan. Retirees can also choose a Medicare Supplement, but they must permanently forfeit their federal benefits.

POSTAL Postal retirees will follow the same rules as any FEHB beneficiary because it is a subset of Federal Retirees, but there are changes ahead that will affect this specific group of FEHB recipients. The Postal Service Reform Act states that on January 1st, 2025, Federal employees younger than 64 must enroll in Original Medicare when they retire in order to keep their Federal benefits. For those 64 and older, it will remain optional when they retire, though if they are eligible and have not enrolled, they might receive a late enrollment penalty if they choose to enroll in the future. Along those lines, there will also be an added Part B special enrollment period starting April 1st, 2024 - Postal Retirees that have not enrolled in Original Medicare, but are eligible will have until October 1st, 2024, to do so without being penalized.

RAILROAD When an individual retires from the railroad system, they will be given retiree benefits by the RRB (Railroad Retirement Board) instead of social security. A portion of those benefits will fund their Original Medicare coverage, and they will be automatically enrolled. From there, the Medicare coverage will work the same as anyone without the retiree benefits. If a retiree chooses not to take the Railroad retiree benefits when they turn 65, they will have to reach out to the RRB to enroll in Medicare.