

2024 MEDICARE & BLUE
Blue Cross and Blue Shield Service Benefit Plan



**Helping you get more
out of Medicare**
That's the Benefit of Blue.®

  **BlueCross.
BlueShield.**
Federal Employee Program.®

fepblue.org

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Now is the time to make the right choice

#1

Did you know?

The Blue Cross and Blue Shield Federal Employee Program (FEP) is **the number one choice** for federal employees and retirees in the Federal Employees Health Benefits Program.

More than that, once people choose us, **they stay with us—over 99% each year.** Why is that?



We have three benefit plans designed for every need and budget



Our network has over 1.7 million doctors and hospitals plus over 65,000 retail pharmacies in the U.S.



You don't need a referral to receive care



We cover members living or traveling overseas



We're committed to your overall health and wellness



With FEP you get some of the best health insurance benefits there are to offer, but there is a way to make your coverage go even further. You can combine it with Medicare Part A and Part B (**Original Medicare**) once you're eligible.

The choice to combine your coverage is up to you, but we're going to show you why combining is the right choice once Medicare becomes your primary coverage. Primary means that Medicare will pay its portion of your benefits first and then we'll pay our portion second.

This booklet focuses on your coverage when Medicare is primary. If you do not have Medicare primary, you'll get the normal benefits outlined in the Blue Cross and Blue Shield Service Benefit Plan brochures. Learn more at fepblue.org/brochure.

Why combine?

Medical

When you combine your FEP coverage with Medicare Part A and Part B primary, we **eliminate** your out-of-pocket costs for covered medical services. That means:

We pay

- Doctor's visits
- Telehealth consultations
- Urgent care visits
- Hospital visits
- Standard Option deductibles
- Medicare deductibles
- And much more

You pay

- FEP premium
- Medicare premium
- Pharmacy cost shares

For **Basic Option** members, we have a program to reimburse you up to **\$800** for paying your Medicare Part B premiums. Learn more on **page 16**.

Pharmacy



New for 2024: We're introducing a new prescription drug benefit exclusively for members who have Medicare. It's called the **FEP Medicare Prescription Drug Program**. With this benefit, members receive lower cost shares and more covered prescriptions than our traditional pharmacy benefit. Learn more on **pages 5-8**.

Covering what Medicare doesn't

And while Medicare provides great benefits, it doesn't cover everything. Things like care outside the U.S., preventive dental care and hearing aids are not covered by Medicare. But they are covered by most FEP plans.

See the charts on the next few pages to get a better idea of what your benefits will look like when you combine your coverage.

If you want to compare what you pay for services if you keep just your FEP coverage versus what you pay when you combine it with Original Medicare, you can download our Medicare at a Glance chart at fepblue.org/plan-summaries.

Medical benefits with Medicare Part A and Part B primary

Benefit	FEP Blue Focus	Basic Option	Standard Option
Primary care doctor	\$0 copay	\$0 copay	\$0 copay
Specialists	\$0 copay	\$0 copay	\$0 copay
Mental health visits	\$0 copay	\$0 copay	\$0 copay
Virtual doctor visits through Teladoc®	\$0 copay	\$0 copay	\$0 copay
Urgent care centers	\$0 copay	\$0 copay	\$0 copay
Inpatient hospital	\$0 copay ²	\$0 copay	\$0 copay
Outpatient hospital	\$0 copay ²	\$0 copay	\$0 copay
Surgery	\$0 copay ²	\$0 copay	\$0 copay
ER (accidental injury)	\$0 copay ²	\$0 copay	\$0 copay
ER (medical emergency)	\$0 copay ²	\$0 copay	\$0 copay
Lab work (such as blood tests)	\$0 copay ²	\$0 copay	\$0 copay
Diagnostic services (such as sleep studies, X-rays, CT scans)	\$0 copay ²	\$0 copay	\$0 copay
Chiropractic care	\$0 copay for up to 10 visits*	\$0 copay for up to 20 visits	\$0 copay for up to 12 visits
Physical therapy¹	\$0 copay for up to 25 visits	\$0 copay for up to 50 visits	\$0 copay for up to 75 visits

*Up to 10 visits combined for chiropractic care and acupuncture.

¹Visit limits are combined for physical, speech and occupational therapy.

²Under FEP Blue Focus, your regular FEP benefits will apply until you meet your annual FEP deductible. The deductible only applies to specific services.

Remember, for Basic Option and FEP Blue Focus, you must use Service Benefit Plan Preferred providers to have your cost shares eliminated. Under Standard Option, you can see any provider.



Medical deductibles and out-of-pocket maximums

Benefit	FEP Blue Focus	Basic Option	Standard Option
Deductible	\$500 for Self Only \$1,000 for Self + One and Self & Family	None	We waive your deductible when you have Medicare as your primary coverage
Out-of-pocket maximum <i>(Preferred providers)</i>	\$9,000 for Self Only \$18,000 for Self + One and Self & Family	\$6,500 for Self Only \$13,000 for Self + One and Self & Family	\$6,000 for Self Only \$12,000 for Self + One and Self & Family

Premiums

When you're retired, you pay your premium monthly instead of bi-weekly. The premium is usually deducted from your monthly annuity.

	FEP Blue Focus	Basic Option	Standard Option
Self Only	\$119.83	\$207.44	\$326.71
Enrollment Code	131	111	104
Self + One	\$257.58	\$517.03	\$729.82
Enrollment Code	133	113	106
Self & Family	\$283.32	\$568.96	\$803.14
Enrollment Code	132	112	105





NEW

Introducing the FEP Medicare Prescription Drug Program

In 2024, we're offering a new benefit to members who have Medicare—the FEP Medicare Prescription Drug Program (MPDP). This is a Medicare Part D plan offered at **no added premium cost** to FEP members with Medicare Part A and/or Part B.

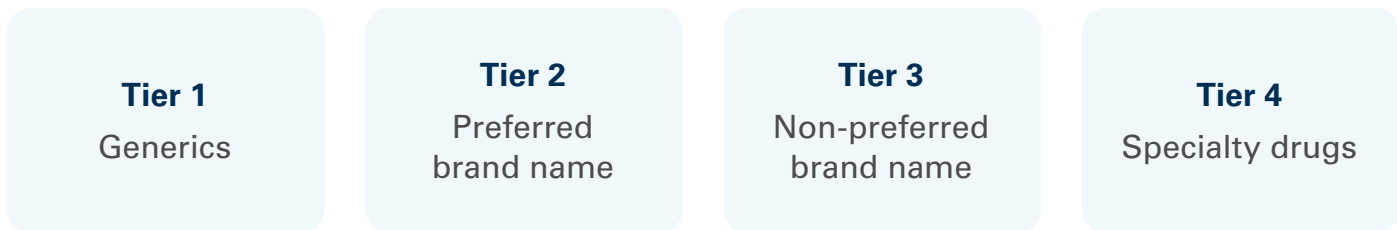


With this new benefit, you get:

-  Additional covered drugs in some tiers
-  Lower cost shares for higher-cost drugs
-  An annual out-of-pocket maximum for prescription drugs
-  To continue enjoying your current FEP medical benefits

MPDP benefits

With MPDP, you have four drug tiers:



Here's what your pharmacy benefits at in-network providers will look like for each tier under MPDP.

	FEP Blue Focus	Basic Option	Standard Option
In-network Retail Pharmacy <i>(Up to a 30-day supply)</i>	Tier 1: \$5 copay Tier 2: 40% of our allowance (\$350 max) Tier 3: 40% of our allowance (\$350 max) Tier 4: 40% of our allowance (\$350 max)	Tier 1: \$10 copay Tier 2: \$45 copay Tier 3: 50% of our allowance (\$60 min) Tier 4: \$75 copay	Tier 1: \$5 copay Tier 2: 15% of our allowance Tier 3: 50% of our allowance Tier 4: \$60 copay
FEP Mail Service Pharmacy <i>(Up to a 90-day supply)</i>	Not a benefit	Tier 1: \$15 copay Tier 2: \$95 copay Tier 3: \$125 copay Tier 4: \$150 copay	Tier 1: \$5 copay Tier 2: \$85 copay Tier 3: \$125 copay Tier 4: \$150 copay
Pharmacy out-of-pocket maximum	\$3,250 per member	\$3,250 per member	\$2,000 per member

The benefit of the pharmacy out-of-pocket maximum

When you combine your FEP coverage with Medicare, typically your only out-of-pocket cost is for prescription drugs. With MPDP, we cap the amount you pay annually for prescriptions at **\$3,250** for **FEP Blue Focus** and **Basic Option** members and **\$2,000** for **Standard Option** members. This is the most you would pay for your prescriptions in total for the year.

You still have an overall medical out-of-pocket maximum. Your MPDP pharmacy out-of-pocket maximum is part of it, not added to it.

Covered MPDP drugs

Each of our three plans has its own MPDP formulary. You can download the full formulary at fepblue.org/medicarerx.



We also have an easy-to-use **FEP Prescription Drug Cost Tool** where you can type in your specific prescription(s) and see the cost at your local pharmacies and through the FEP Mail Service Pharmacy. You can also compare the cost to what you would pay under the traditional FEP pharmacy benefit.

Use the tool during Open Season at fepblue.org/medicarerx.

MPDP network

With MPDP, you have a network of over 65,000 in-network pharmacies. You can find pharmacies near you at fepblue.org/medicarerx.

The formulary and/or pharmacy network may change at any time. You will receive notice when necessary.



MPDP eligibility and enrollment

MPDP is open to any member who has Medicare Part A and/or Part B and FEP coverage living in the U.S. or a U.S. territory. During October, we will start automatically enrolling most members who have Medicare Part A and Part B primary. You will receive a letter in the mail in October or early November 2023 if you are part of the group enrollment process.



If you receive the letter and you want to enroll, you don't have to do anything.

We will automatically enroll you and we'll send you a new member ID card before the start of the new year. If we need any information from you to complete the enrollment process, we will reach out to you in a separate letter.



If you receive the letter and you *don't* want to enroll, you will need to contact us following the instructions in the letter to opt-out. If you opt-out, you'll continue to receive your current FEP pharmacy benefits as they are today. To see a comparison of the non-MPDP pharmacy benefits compared to the MPDP benefits, you can visit fepblue.org/medicarerx.

I didn't receive a letter and I want MPDP. How do I enroll?

We will exclude some eligible members from the group enrollment, such as members who already have a different Part D* plan. However, if you would like to enroll, you can do so at any time beginning November 13, 2023 (the first day of Open Season). To enroll, you'll need to send an enrollment form. You can download the MPDP Enrollment Form for your specific plan option at fepblue.org/medicarerx.

**Please note: You cannot enroll in two Medicare Part D plans. If you're currently enrolled in a different Part D plan, enrolling in MPDP will disenroll you from that plan.*



To learn more about the FEP Medicare Prescription Drug Program, call **1-888-338-7737** (TTY: 711) or visit fepblue.org/medicarerx.





Selecting the right FEP plan for your needs

Since all of our plans provide excellent coverage, you may be wondering how to narrow down the right one for you. We'll break down the benefits of each.

Keep in mind that if you start in one plan now and your needs change in a few years, you'll have the opportunity to switch plans annually during Open Season. This is typically the second Monday in November through the second Monday in December each year. You'll also have the opportunity to make a change if you have a qualifying life event (QLE), such as a marriage or divorce.





FEP Blue Focus

FEP Blue Focus is well suited for those who don't use their health care benefits often, only use in-network providers and don't have many prescription drug needs.

-  You pay the lowest premium for FEP Blue Focus.
-  You must meet your FEP deductible before we eliminate your cost shares for medical services.
-  FEP Blue Focus comes with our most limited prescription drug formulary, and you do not have a Mail Service benefit.
-  It does not cover benefits such as hearing aids and preventive dental care.





Basic Option

For over 15 years, Basic Option has been the plan most federal employees choose in the FEHB.

-  You get up to \$800 back for paying your Medicare Part B premiums when you combine your coverage.
-  Members with Medicare have enhanced prescription drug coverage that includes access to Mail Service.
-  You get added coverage for things Medicare alone doesn't cover, like hearing aids and preventive dental care.
-  You must see in-network (Preferred) providers to get care.

Standard Option

Standard Option is our only plan that allows you to go in- and out-of-network for non-emergency medical care.

-  It has the largest approved drug list, or formulary. This makes it a good option for members who have complex prescription needs.
-  When you combine it with Original Medicare, we pay your deductible, so it becomes a deductible-free plan.
-  You get added coverage for things Medicare alone doesn't cover, like hearing aids and preventive dental care.
-  You pay the highest premium for Standard Option.



Need help choosing the right plan?

Use our interactive quiz online to receive a recommendation based on your needs. Try it today at askblue.fepblue.org.

If you're retired and you need to make an enrollment change, OPM is your retirement office. Visit opm.gov/retire to learn more. If you're still working, you can reach out to your HR department for assistance.

Giving you the tools you need to support your health

As your health insurer, our number one goal is to support your health and wellness. We offer a variety of wellness programs, incentives and discounts that support your overall health.



Blue Health Assessment

With the Blue Health Assessment (BHA), you can get a snapshot of your health. Just take a simple online quiz and, once it's complete, you'll get instant feedback on ways you can improve or maintain your health. Take the assessment to your next doctor's appointment so you can discuss your results with your primary doctor. Basic and Standard Option members can earn **\$50** the first time they take the BHA in 2024.



Daily Habits

Daily Habits helps you set and reach your health goals. Whether you want to eat better, stress less or get help managing a chronic condition, Daily Habits can help. Basic and Standard Option members can earn **\$120** for completing three eligible goals in 2024.



Routine Annual Physical Incentive Program

Getting an annual checkup each year is one of the best things you can do for your health. Your doctor can help you identify any health risks and give you tips to manage them. FEP Blue Focus members can earn a reward, such as **\$150** on a MyBlue® Wellness Card for getting a physical.

MyBlue Wellness Card

Any incentive dollars you earn completing wellness activities are loaded onto a prepaid debit card.



*New for 2024, you can use up to **\$150** of these funds annually to purchase specific items via Blue365®. You also continue to use your card at local stores to purchase qualified medical expenses.*

Additional wellness programs



Telehealth Services through Teladoc®

Get general medical care, mental health support, dermatology services and nutritional counseling all from the comfort of home. And with Medicare primary, we waive all telehealth service copays.



Diabetes Management Program by Livongo®

Basic and Standard Option members with diabetes can get a free digital glucose monitor, associated supplies and ongoing support.



Hypertension Management Program

Members with high blood pressure can get a free at-home blood pressure monitor.

Learn more about all of our programs at fepblue.org/healthwellness.



Blue365®

Blue365 is an exclusive discount program offered to FEP members. Get hundreds of savings like:

30%-75% off the cost of hearing aids and hearing aid supplies. Basic Option and Standard Option members can even combine the discount with their **\$2,500** hearing aid benefit.*

Discounts at local gyms and online fitness classes through partners like Fitness Your Way and Burnalong. Or build a home gym with discounts on exercise equipment.

Healthy meals, fruits, snacks and groceries delivered straight to your home through partners like Sunbasket, Hungry Harvest and more.

Discounts on popular travel destinations and travel insurance to protect your vacations.

And so much more. Sign up today at blue365deals.com/fep.

**New for 2024, you must receive prior approval before buying hearing aids to receive the \$2,500 benefit.*

Note: Blue365 deals and discounts may change at any time.

A closer look at Medicare

You're eligible for Medicare starting three months before you turn 65. Individuals with certain disabilities, kidney failure (end stage renal disease) or ALS (Lou Gehrig's disease) may be eligible earlier.

Now that we've taken a look at the benefits you get with FEP, let's take a look at Medicare. Starting with the basics, Medicare is broken into four parts: Part A, Part B, Part C and Part D.

Part A: Hospital insurance

Part A covers inpatient hospital, skilled nursing facility, hospice and home health care. Most federal employees take Part A as soon as they can because it's free as long as you've paid enough in Medicare taxes (this typically means you've worked for at least 10 years).

Part B: Doctor's insurance

Part B covers care you receive from doctors, preventive services, outpatient care, home health care and durable medical equipment, such as walkers and wheelchairs. You pay a premium for Part B based on your income.

Part C: Medicare Advantage

Medicare Part C is also known as Medicare Advantage or an MA Plan. It is coverage from a private company that bundles together Medicare Part A and B coverage. Many plans also include Part D coverage.

The premiums for these plans are set by the companies that provide them. You'll also typically have a specific network of providers you can visit.

Part D: Rx Drug Coverage

Part D helps you pay for your prescriptions. FEP offers MPDP at no additional premium cost as a Part D plan exclusively for members. You can also choose to enroll in a different Part D plan instead of MPDP—you would pay a separate premium for this plan.

If you choose to forgo MPDP, you will be covered by traditional FEP pharmacy benefits. FEP prescription drug coverage is considered creditable coverage to Part D.

Things to keep in mind

As long as you've received social security benefits for at least four months prior to turning 65, the federal government will **automatically enroll** you in Original Medicare. You'll receive a welcome packet with your Medicare card three months before your 65th birthday.

Members in Puerto Rico or U.S. citizens living outside the U.S. will get Part A automatically, but will need to sign up for Part B.



You must have at least **five years of continuous coverage** in the FEHB to keep your FEP coverage into retirement. Make sure you have at least five years of coverage before you retire so you can combine your coverage with Medicare.

Should I delay my Part B enrollment?

Some people choose to delay their Part B enrollment because they're still working or their spouse is. In this situation, as long as you still have group health insurance through your or your spouse's employer, you'll be covered by that plan as your primary coverage. We recommend that, if you have FEP or another FEHB plan, you keep that group coverage. You want to ensure you meet the five-year rule above. If you retire and leave the FEHB, you can **never** re-enter the program.



If you and your spouse are retired, choosing to delay your Medicare Part B enrollment could cause a late enrollment penalty. The penalty is a 10% premium increase for each year you delay your enrollment. In 2023, the standard Medicare Part B premium is \$164.90. Let's say:

- You and your spouse are retired
- You were first eligible for Part B in 2018
- You didn't sign up when you were first eligible

That means instead of \$164.90, you would pay \$247.35. Plus, you may need to pay an Income-Related Monthly Adjustment Amount (IRMAA), depending on your income level. Learn more about IRMAA on **page 15**.

Remember, the choice to enroll in Medicare is always yours. **However, if you and your spouse are both retired, we recommend you take Medicare Part B as soon as you're eligible.** If you retire after your 65th birthday, you'll have an eight-month eligibility period to enroll once you retire.

Your Medicare Part A and Part B costs

Premiums

If you've worked in the U.S. for at least 10 years, you will **not** pay a premium for Part A. The price you pay for Part B depends on your income. In 2023, the standard monthly premium that most people pay is \$164.90 (visit [medicare.gov](https://www.medicare.gov) in late 2023 or throughout 2024 to see the 2024 premiums).

What is an IRMAA?

If you are above a certain income level, you will pay an Income-Related Monthly Adjustment Amount (IRMAA). Your IRMAA is a cost that's added to your monthly Medicare Part B premium based on your annual income. The amount you need to pay is determined by the Social Security Administration.

If your yearly income in 2021 (for what you pay in 2023) was:			What you'll pay each month (in 2023)
File individual tax return	File joint tax return	File married & separate tax return	
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$164.90
above \$97,000 up to \$123,000	above \$194,000 up to \$246,000	Not applicable	\$230.80
above \$123,000 up to \$153,000	above \$246,000 up to \$306,000	Not applicable	\$329.70
above \$153,000 up to \$183,000	above \$306,000 up to \$366,000	Not applicable	\$428.60
above \$183,000 and less than \$500,000	above \$366,000 and less than \$750,000	above \$97,000 and less than \$403,000	\$527.50
\$500,000 or above	\$750,000 or above	\$403,000 or above	\$560.50



Medicare Reimbursement Account

When you combine your Original Medicare or Medicare Advantage coverage with Basic Option, we give you up to **\$800** per year back for paying Medicare Part B premiums. If your spouse also has Medicare, they can receive this benefit too, making the reimbursement **\$1,600**. You can use this benefit even if Medicare isn't your primary coverage.

Here's how it works:

- 1 Pay your Medicare Part B premium and get proof of the payment. We'll accept:
 - **An annual cost of living adjustment (COLA) statement**
 - **A canceled check, a credit card statement or bank statement that matches your Medicare Part B premium bill**
- 2 Complete and file a Medicare Reimbursement Account claim online, via app, by fax or by mail. Make sure to include your proof of payment. You need to submit a separate claim for each member of your household with Medicare.
- 3 If you submit your claim digitally you can receive your funds via direct deposit within a few days of claims processing. If you submit via mail or fax or select the option for mail online, we'll mail you a check within a few weeks.
- 4 Once you receive your reimbursement, you can use it on anything you like.

We encourage you to consider possible tax implications as part of this program, and to consult your tax, legal or accounting advisors for additional information.



Get started today by visiting [fepblue.org/mra](https://www.fepblue.org/mra), downloading the **EZ Receipts** app or by calling **1-888-706-2583**.

Medicare Part A out-of-pocket costs

Medicare Part A covers inpatient care. Most people don't pay a premium for Part A. However, you will have an inpatient hospital deductible to meet before Medicare will begin paying its portion for services.

In 2023, the deductible is \$1,600 per benefit period per person. When you combine your coverage with FEP, we pay your Medicare Part A deductible.

Check in late 2023 or throughout 2024 for 2024 cost information.

In addition to your deductible, you have copays for inpatient hospital care under Part A.

What you pay for inpatient hospital care with Part A

Days 1-60	Days 61-90	Days 91 and beyond	Beyond lifetime reserve days
\$0 for each benefit period	\$400 per day of each benefit period	\$800 per each lifetime reserve day (up to 60)	All costs

What you pay for inpatient hospital care with Part A and FEP

Days 1-90	Days 91 and beyond	Beyond lifetime reserve days
\$0 for each benefit period	\$0 per each lifetime reserve day (up to 60)	Regular FEP cost shares apply

For FEP Blue Focus, you must meet your FEP deductible first.

What is a lifetime reserve day?

Medicare covers up to 90 days of inpatient hospital care per benefit period. If you have a medical event where you need more than 90 days of hospital care, Medicare has lifetime reserve days. You get 60 days to use per your lifetime.

Medicare Part B out-of-pocket costs

Medicare Part B covers medical services. In addition to your premium, you have a deductible to meet before Medicare will begin paying its portion for services.

In 2023, the deductible is \$226. When you combine your coverage with FEP, we pay your Medicare Part B deductible.

Check in late 2023 or throughout 2024 for 2024 cost information.

In addition to your deductible, you typically pay **20%** of Medicare's allowance for services covered by Part B (e.g., doctor's services, mental health care, durable medical equipment and more). FEP pays the 20% of Medicare's allowance when you combine your coverage. **You pay nothing.**

For FEP Blue Focus, you must meet your FEP deductible first.

What about my out-of-pocket costs if I choose to just keep my FEP coverage?

Members who do not combine their coverage with Medicare Part A and Part B primary receive regular FEP benefits. You'll pay your FEP premium and the copays, deductibles and coinsurance amounts outlined in the Blue Cross and Blue Shield Service Benefit Plan brochures. Download the brochures at fepblue.org/brochure.



Medicare Part C

Medicare Part C plans are sponsored by private insurance companies, such as your local Blue Cross Blue Shield company. They bundle the benefits of Original Medicare together plus, in many cases, Part D and benefits Original Medicare does not cover. They should not be confused with Medicare Supplement Plans or Medigap (FEP is not a Medigap plan).

You may be trying to compare the benefits you get with a Medicare Advantage Plan with the benefits you get with Medicare and FEP. Here is some information that may help you make a decision.



Provider choice

Original Medicare	Original Medicare + FEP	Medicare Advantage
You can go to any doctor or hospital that takes Medicare in the U.S.	All members have access to FEP’s network that includes over 1.7 million doctors and hospitals in the U.S. With Standard Option, you can also go to any out-of-network provider	You can use the doctors and providers in the plan’s network With MA plans, you should check provider limitations, costs for out-of-network providers and overseas coverage
In most cases, you don’t need a referral to see a specialist	You never need a referral to see a specialist	You may need a referral to see a specialist
Does not cover care overseas	Covers care overseas	Plans generally don’t cover care overseas

Coverage

Original Medicare	Original Medicare + FEP	Medicare Advantage
Covers most medically necessary services and supplies. However, doesn't cover some benefits, like hearing aids, dental care, routine exams and eye exams	Covers medically necessary services plus many services Medicare does not cover	Covers medically necessary services. Many also cover services Medicare does not cover
You have to enroll in a separate Medicare Part D plan to get prescription drug coverage	Part D coverage is included as part of your benefits	Part D is included in most plans

Cost

Original Medicare	Original Medicare + FEP	Medicare Advantage
You pay a monthly premium for Part B + you'll pay a separate premium for Part D if you need prescription drug coverage	You pay your FEP plan's premium + the Part B premium Basic Option members can get up to \$800 back for paying Part B premiums	You pay your MA plan's premium in most cases + the monthly Part B premium OPM does not contribute to your MA plan premium if you end your FEHB coverage
For Part B services, you pay 20% of Medicare's allowance after you meet your deductible	We cover your cost share for Part B services in full*	Out-of-pocket costs vary by plan
There isn't a yearly limit on what you pay-out-pocket for covered services unless you enroll in a supplement plan	You have an annual out-of-pocket limit for prescription drugs with MPDP. We also cap your overall costs in case of a catastrophic medical event	Plans have a yearly limit on what you pay for covered services. Once you reach the limit, you pay nothing for the covered services for the rest of the year

*For FEP Blue Focus, you must meet your FEP deductible first.

Medicare Part D

Premiums

As an FEP member, you are eligible for MPDP which does not require a separate premium. It's part of your overall FEP benefits package.

Medicare Part D IRMAA

Like Part B, if you are above a certain income, you will pay an IRMAA for your Part D coverage. **Most FEP members will not reach this threshold.** See the chart below for the 2023 Part D IRMAA.

Check in late 2023 or throughout 2024 for 2024 cost information.

If your yearly income in 2021 (for what you pay in 2023) was:			What you'll pay each month (in 2023)
File individual tax return	File joint tax return	File married & separate tax return	
\$97,000 or less	\$194,000 or less	\$97,000 or less	Your FEP premium
above \$97,000 up to \$123,000	above \$194,000 up to \$246,000	Not applicable	\$12.20 + your FEP premium
above \$123,000 up to \$153,000	above \$246,000 up to \$306,000	Not applicable	\$31.50 + your FEP premium
above \$153,000 up to \$183,000	above \$306,000 up to \$366,000	Not applicable	\$50.70 + your FEP premium
above \$183,000 and less than \$500,000	above \$366,000 and less than \$750,000	above \$97,000 and less than \$403,000	\$70.00 + your FEP premium
\$500,000 or above	\$750,000 or above	\$403,000 or above	\$76.40 + your FEP premium

Medicare Part D late enrollment penalty

If you decide not to enroll in Part D, you need to enroll in a different plan that has **creditable coverage** to Part D coverage. This means that the coverage you receive is similar in value to the coverage you would receive from a Medicare Part D plan. If you're not enrolled in a Part D plan or a creditable coverage plan, you will pay a penalty if you decide to enroll in Part D later. **The penalty is 1% per month or 12% per each year you don't have coverage.** CMS adds this to a national base premium amount, which changes each year. In 2023, the national base premium amount is \$32.74.

Check in late 2023 or throughout 2024 for 2024 cost information.

So, if you delay your enrollment by two years or 24 months, you will pay a 24% penalty on top of the \$32.74 national base premium. That is an added \$3.90 (rounded to the nearest 10), or a total of \$36.64. Depending on your income, if you are eligible for IRMAA, you would need to pay that amount as well.



As an FEP member, your coverage is creditable coverage. **Therefore, the penalty does not apply to most members if they keep their FEP health plan.**

However, in limited situations, there may be members that are eligible for the Part D penalty, such as if you have a spouse who previously had a different plan not considered creditable coverage. **In these situations, we will cover the Part D penalty for our members enrolled in MPDP as an added benefit to you.**

Please know the Part D late enrollment penalty never goes away even if you switch plans. If you switch to a new carrier, they may not pay the penalty for you.

Part D out-of-pocket costs

What you pay out-of-pocket in copays, coinsurance and deductibles varies by plan. To see your costs with MPDP, go to **page 6** or visit fepblue.org/medicarerx.



Provider network

Original Medicare has a set network of providers that accept the Medicare assignment, or Medicare’s payment. When you combine with FEP, you can go to any provider within the FEP network even if they’re not in Medicare’s network. Standard Option members can also go to FEP out-of-network providers.

Coverage	Medicare network	FEP network	Out-of-network
Medicare only	✓		
Medicare with FEP Basic Option and FEP Blue Focus	✓	✓	
Medicare with FEP Standard Option	✓	✓	✓








When you receive services, you should take your Medicare ID card and your FEP member ID card. This will help ensure your claims process correctly. When Medicare is primary, your doctors will send claims to Medicare first, then Medicare will send the claim to us. There is no paperwork for you.

Private contracts

Some providers may ask you to sign a contract before you receive services. The contract will ask you to agree to them billing you directly for services covered by Medicare. We don’t recommend you sign a contract like this. If you sign the contract, Medicare will not cover your service. And we’ll only pay the amount we would’ve paid if Medicare paid their portion. You will have to pay all additional charges.

Other important things to keep in mind

As you consider your options, here are some other things to remember:

-  **Health needs tend to change as we age.** Remember if you're 'healthy' now, you may have greater health needs later. If you choose to forgo Medicare Part B now, you don't want the late enrollment penalty to price you out of Medicare if you need it later.
-  **Medicare provides you with individual coverage.** If you have dependents, such as a child under 26 or a spouse, you want to keep their needs in mind too. FEP provides coverage for your eligible family members. If you pass away, your dependents will be able to keep their coverage (including children until age 26).
-  **Once you retire, we keep you in the same insurance group as actively working employees.** If you combine your coverage with Medicare, you'll get added benefits that active employees do not receive.
-  **OPM continues to pay a portion of your FEP premium (about 70%) once you retire.** You will pay your premium monthly instead of bi-weekly.
-  **Consider the cost savings of having a prescription out-of-pocket maximum.** With your MPDP benefit, you get an annual out-of-pocket maximum for prescription drugs, included as part of your medical benefits out-of-pocket maximum. This cap limits what you'll pay each year for your essential medications.



Suspending your FEP coverage to try a different plan

Remember, you must have at least five years of continuous enrollment in the FEHB before you retire. **Once you do retire, if you cancel your coverage, you can never re-enroll in the Program.** If you want to try a different Plan such as Medicare Advantage or Tricare, you should suspend your coverage. You can only suspend your coverage as a retired employee.

You will need to work with OPM, or if you're a survivor annuitant, the retirement office managing your FEHB enrollment to suspend your coverage. Learn more at [opm.gov/retire](https://www.opm.gov/retire).



Helpful resources

Here are some resources that can help you learn more and stay connected:

FEP Medicare Prescription Drug Program

To learn more about the MPDP and to access your full Evidence of Coverage, call **1-888-338-7737** (TTY: 711) or visit [fepblue.org/medicarerx](https://www.fepblue.org/medicarerx).

Medicare Reimbursement Account

To set up your account to get up to **\$800** back for paying Part B premiums, visit [fepblue.org/mra](https://www.fepblue.org/mra), download the **EZ Receipts app** or call **1-888-706-2583**.

FEP

You can learn more about FEP and Medicare at [fepblue.org/medicare](https://www.fepblue.org/medicare). Or give us a call at **1-800-411-BLUE (2583)** (TTY: 711) weekdays between 8 a.m. and 8 p.m. If you have claims or customer service questions, call the number on the back of your member ID card.



Medicare

Visit [medicare.gov](https://www.medicare.gov) or call **1-800-MEDICARE** (TTY: 1-877-486-2048) to learn more about Medicare benefits and services.

OPM

Once you retire, OPM is your retiree office. Visit [opm.gov/retire](https://www.opm.gov/retire) to learn more.

Social Security

Your local Social Security office can help you if you have questions about Medicare enrollment. Locate an office near you at [ssa.gov](https://www.ssa.gov) or call **1-800-772-1213** (TTY: 1-800-325-0778).

NARFE

The National Association of Active and Retired Federal Employees is a resource to learn more about the benefits of keeping your FEHB coverage and Medicare. Visit [narfe.org](https://www.narfe.org) to find a chapter near you.



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This is a summary of the features of the Blue Cross and Blue Shield Service Benefit Plan. Before making a final decision, please read the Plan's Federal brochures (FEP Blue Standard and FEP Blue Basic: RI 71-005; FEP Blue Focus: RI 71-017).

All benefits are subject to the definitions, limitations and exclusions set forth in the Federal brochures.

The Blue Cross Blue Shield Association is an association of independent, locally operated Blue Cross and Blue Shield companies.

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The FEP Medicare Prescription Drug Program is a prescription drug plan with a Medicare contract. Enrollment in MPDP depends on contract renewal.

*The formulary and/or pharmacy network may change at any time.
You will receive notice when necessary.*



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