



TOWN OF SAUGUS

ADMINISTRATIVE SERVICES
Personnel • Purchasing
298 CENTRAL STREET
SAUGUS, MASSACHUSETTS 01906

Telephone: (781) 231-4142

Fax: (781) 231-5666

Step-by-Step Instructions for Transitioning to Medicare

Step 1: If you are turning 65, but still an active employee, you must visit your local Social Security Office to enroll in Medicare Part A. You do not need to enroll in Medicare Part B until you retire.

Step 2: If you are turning 65, and retired, you must visit your local Social Security Office to enroll in both Medicare Part A and Part B. There is no cost for Part A. The current cost for Part B is **\$110.50** per month (see partial reimbursement information on next page).

Step 3: The Group Insurance Commission (GIC) needs to know how you will be paying for Medicare Part B – through monthly Social Security deductions or quarterly billing statements. When enrolling in Medicare Part B, please request a ‘Social Security Benefit Letter’ which will provide GIC with the necessary information.

Step 4: When your new Medicare Card and Benefit Letter arrive in the mail, please bring them to the Administrative Services office located on the lower level of Saugus Town Hall. We’ll make copies for GIC, copies for your file, and return the originals to you for your own records.

Step 5: Now that you are enrolled in Medicare, you’ll need to choose a new (supplemental) health insurance plan. There are several to choose from, all of which provide health and prescription benefits. We’ll help you fill out the paperwork and send it to GIC.

Step 6: The date printed on your Medicare card is when both your new insurance plan and Medicare will be effective (providing all applicable paperwork has been received by GIC). Please bring both cards with you to your next health care appointment so the office staff can update their billing files.

Please note: Correspondence from GIC is very important. If you don’t understand a form or a request for information, please feel free to bring it to our office and we’ll go over it with you.



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Medicare Part B Partial Reimbursement

The Town's recent enrollment with GIC means it is now mandatory for all retirees to enroll in Medicare Part B upon turning age 65. The Town is aware this places an additional financial burden on retirees and has agreed to reimburse 60% of the cost of Medicare Part B for both subscribers and their spouses. Reimbursement checks will be mailed each July for the previous fiscal year (July through June).

Example A: If you enrolled in Medicare Part A and B effective September 1, 2009, you would receive a check in July 2010 for 60% of the cost of Medicare Part B multiplied by the 10 months in which you were enrolled in Medicare.

$$\$110.50 \times 60\% = \$66.30 \times 10 = \$663.00$$

Total reimbursement \$663.00

Example B: If you enrolled in Medicare effective August 1, 2009 and your spouse's enrollment was effective March 1, 2010, you would receive a check in July 2010 for 60% of the cost of Medicare Part B multiplied by the 11 months you were enrolled, and additionally by the 4 months your spouse was enrolled.

$$\$110.50 \times 60\% = \$66.30 \times 11 = \$729.30$$

$$\$110.50 \times 60\% = \$66.30 \times 4 = \$265.20$$

Total reimbursement \$994.50

Example C: If you and your spouse were both enrolled in Medicare effective July 1, 2009, you would receive a check in July 2010 for 60% of the cost of Medicare Part B multiplied by the 12 months you were enrolled, and additionally by the 12 months your spouse was enrolled.

$$\$110.50 \times 60\% = \$66.30 \times 12 = \$795.60$$

$$\$110.50 \times 60\% = \$66.30 \times 12 = \$795.60$$

Total reimbursement \$1591.20

Please keep in mind the cost of Medicare Part B is determined by the Social Security Administration and is subject to change.

Beginning in 2010 the monthly cost for Medicare Part B will be \$110.50.

If you still have questions please don't hesitate to contact us at (781) 231-4126 or (781) 231-4142.