Employer or Military Retiree Coverage
If you or your spouse has an Employer Group Health Plan (EGHP) as retiree health coverage from an employer or the military (TRICARE for Life), you may not need additional insurance. Review the EGHP's costs and benefits and contact your employer benefit representative or SHIIP to learn how your coverage works with Medicare.

Medicaid or Medicare Savings Programs
Medicare beneficiaries with low income or very high medical costs may be eligible to receive assistance from the Medicaid program. There are also Medicare Savings Programs for other low-income beneficiaries that may help pay for Medicare premiums, deductibles, and coinsurance. There are specified income and resources limits for both programs. Contact your local county Department of Social Services to apply for one of these programs.

Other Medicare Insurance Options
Medicare Advantage (Medicare Part C)
Medicare Advantage plans are another health insurance option for Medicare beneficiaries. Medicare Advantage plans (HMOs, PPOs, SNPs, PFFS plans and/or MSAs) are available in our state and provide all Medicare Part A and Part B benefits and possibly some extra benefits. Members may be required to utilize a network or group of preferred providers. Check with your doctors and hospital to see if they accept the insurance plan you are considering joining. All four plan options may not be available in the county in which you reside. If you join a Medicare Advantage Plan, you are in the Medicare Program but receive your Medicare benefits from the private carrier. You are no longer enrolled in Original Medicare. Information about Medicare Advantage plans in North Carolina is available from SHIIP (800-443-9354 or www.ncshiip.com). You may enroll in a Medicare Advantage plan during your Initial Enrollment Period (see page 2) or during the Annual Election Period from Nov. 15 through Dec. 31 for 2010.

Stop: To Get Help
Seniors’ Health Insurance Information Program (SHIIP) • 800-443-9354 or www.ncshiip.com
The Seniors’ Health Insurance Information Program (SHIIP), a division of the N.C. Department of Insurance, offers free, objective information about Medicare, Medicare Advantage plans, Medicare claims, Medicare supplement insurance, Medicare Prescription Drug Plans, fraud and abuse prevention and long-term care insurance. Trained SHIIP volunteer counselors are available for one-on-one counseling in every county in the state.

Medicare • 800-633-4227 or www.medicare.gov
Medicare provides information 24 hours a day, seven days a week about eligibility, enrollment and coverage.

Social Security Administration • 800-772-1213 or www.socialsecurity.gov
Contact the Social Security Administration to enroll in Medicare or to request a replacement Medicare card.

Employer Benefits Representative
See your representative for information about Employer Group Health Plan coverage.

Your local Department of Social Services (DSS)
County DSS offices have information about Medicaid and Medicare Savings Program eligibility and applications. These numbers are listed in the blue pages of the phone book.

TRICARE for Life • 877-TRICARE (877-874-2273) or www.tricare.mil
TRICARE for Life representatives can assist military retirees with questions on eligibility and coverage.
• Learn more about what Medicare will and will not cover. Get a copy of the Medicare & You Handbook or The Guide to Health Insurance for People with Medicare from the Social Security Administration or from SHIIP. Understanding what Medicare covers and does not cover will give you some idea of the health care costs you may incur.

• As a new Medicare beneficiary you are entitled to a one-time Welcome to Medicare Wellness Physical within twelve months of the day your Medicare Part B becomes effective.

Green Light: Enrollment
Automatic Enrollment
If you are already receiving Social Security benefits, Railroad Retirement benefits, or Federal Retiree benefits your enrollment in Medicare is automatic. Check with Social Security to verify your Automatic Enrollment as well as your current address. Your Medicare card should arrive in the mail shortly before your 65th birthday. Check the card when you receive it to verify that you are entitled to both Medicare Parts A and B.

Initial Enrollment
If you are not eligible for Automatic Enrollment, contact the Social Security Administration at 800-772-1213 or www.socialsecurity.gov, or visit the nearest office to enroll in Medicare Part A and to enroll in Medicare Part B. You have a seven-month window in which to enroll in Medicare without incurring a penalty.

<table>
<thead>
<tr>
<th>Initial Enrollment Period (seven months)</th>
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<tbody>
<tr>
<td>Three months before 65th birthday</td>
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<tr>
<td>Birthday month</td>
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<tr>
<td>First month after 65th birthday</td>
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<tr>
<td>Two to three months after 65th birthday</td>
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</tbody>
</table>

Enroll here and your Medicare is effective the first day of your birth month. Enroll here and your Medicare effective date will be delayed until the first day of the month following the month you actually enrolled. Enroll here and your Medicare effective date will be delayed until the first day of the second month following the month you actually enrolled.

Detour: Working Past 65 (Special Enrollment)
If you or your spouse are actively working at age 65, are covered by an employer’s group health plan (EGHP) and the company has 20 or more employees, you may be able to delay Medicare Part B coverage without penalty. You will still be eligible for Part A without paying a premium (as long as you or your spouse has 40 credits of work).

• Talk to your employer’s benefits officer and ask for information about company health insurance options for people who continue working past their 65th birthday. Ask specifically how many hours you must work to keep your health insurance plan and whether the EGHP will be “primary” or “secondary” coverage to Medicare. Carefully study the company’s current benefit booklet to determine cost and benefits of the plan.

• If your EGHP is primary to Medicare, you do not have to enroll in Medicare Part B at this time. You will need to enroll in Medicare Part B within eight months of the EGHP’s termination of coverage or when it stops being primary. If your EGHP will be secondary to Medicare despite active employment, you must enroll in Medicare Part B during the seven-month Initial Enrollment Period to avoid future penalties. If you voluntarily disenroll from your EGHP before terminating your employment, you could lose any EGHP benefits when you retire.

• Contact the Social Security Administration at 800-772-1213 or www.socialsecurity.gov or the nearest Social Security Administration to confirm that you have enrolled in Medicare Part A (Hospital Insurance).

• Give written notice to your company of your intention to continue working after age 65. When you decide to stop working, notify the Social Security Administration immediately. It is also advisable to notify the Social Security Administration that you or your spouse, if covered under your EGHP, will continue to work beyond age 65.

General Enrollment
If you do not enroll in Medicare Parts A and B during your seven-month window of eligibility you cannot enroll until the General Enrollment Period, which is January 1 through March 31 each year (unless you are entitled to Special Enrollment – see next page). Your Medicare eligibility will not begin until the following July 1. Your monthly Medicare Part B premium will increase to include a permanent 10 percent penalty for each year of delayed enrollment (unless you are eligible for Special Enrollment).

<table>
<thead>
<tr>
<th>General Enrollment Period for Medicare Parts A &amp; B (Every year)</th>
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<tbody>
<tr>
<td>January 1 — March 31</td>
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<tr>
<td>April 1 — June 30</td>
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<tr>
<td>July 1</td>
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<tr>
<td>Enroll here</td>
</tr>
<tr>
<td>No Medicare coverage</td>
</tr>
<tr>
<td>Medicare coverage begins with a penalty</td>
</tr>
</tbody>
</table>

Which Way to Supplemental Coverage?
Medicare is a major medical plan that provides a basic foundation of benefits. However, it does not pay 100 percent of all medical bills. Medicare beneficiaries are responsible for premiums, deductibles, and coinsurance. These amounts can be significant. Because of these costs, most beneficiaries need some kind of plan, policy or program to fill in the “gaps.”

Medicare Supplement Insurance
Medicare supplement plans are one health insurance option for people with Medicare. There are standardized Medicare supplement insurance plans available that are designed to fill the gaps left by Original Medicare (Parts A and B). These are sold by private companies as individual insurance policies and are regulated by the Department of Insurance. After age 65 and for the first six months of eligibility for Medicare Part B, beneficiaries have an Open Enrollment Period and are guaranteed the ability to buy any of these plans from any company that sells them. Companies cannot deny coverage or charge more for current or past health problems. If you fail to apply for a Medicare supplement within your Open Enrollment Period, you may lose the right to purchase a Medicare supplement policy without regard to your health. Information about the Medicare supplement plans sold in North Carolina is available from SHIIP (800-443-9354 or www.ncshiip.com).

Medicare Prescription Drug Coverage (Medicare Part D)
The Medicare Prescription Drug Plans (PDPs) are sold by private insurance companies approved by Medicare. All people new to Medicare have a seven-month window to enroll in a PDP — three months before, the month of and three months after their Medicare becomes effective. The month you enroll affects the PDP’s effective date. All people with Medicare are eligible to enroll in a PDP; however, unless you are new to Medicare or are entitled to a Special Enrollment Period, you must enroll during the Annual Coordinated Election Period, Nov. 15 through Dec. 31 for 2010. There is a monthly premium for these plans. If you have limited income and assets/resources, assistance is available to help pay premiums, deductibles and co-payments. You may be entitled to Low-Income Subsidy Assistance (LIS) or “Extra Help” through the Social Security Administration (800-772-1213 or www.socialsecurity.gov). North Carolina also has a State Pharmaceutical Assistance Program called NCRx for low-income Medicare beneficiaries who have a PDP and meet the specified requirements. Call 888-488-6279 or visit www.ncrx.gov for more information.