

alight

**Get to know Medicare.
Get help from Alight.**



Getting health coverage in retirement

What to know and do

A growing number of employers have replaced a traditional group health plan with options through an “exchange,” where Medicare-eligible retirees and spouses can choose the individual coverage options that works best for their needs. Adventist Retirement provides financial support for this coverage through a health reimbursement account (HRA).

With the help of Alight Retiree Health Solutions, you can explore a variety of health plan options that fit your individual needs and budget. The individual market also offers greater flexibility, since you can select a different plan for yourself and your spouse, so everyone’s needs are met.

You will not automatically be enrolled in coverage upon retirement or by becoming eligible for Medicare at age 65. You must take action to have supplemental Medicare coverage and financial assistance from Adventist Retirement in the future. This includes confirming a telephone appointment with an Alight Retiree Health Solutions licensed Benefits Advisor and enrolling in individual coverage.

How Alight Retiree Health Solutions can help

Alight has you covered when it comes to learning about your individual health insurance options, enrolling in coverage, and finding help when you need it.

Adventist Retirement and SHARP must receive your retirement application before they can determine your eligibility for health care benefits. After your eligibility is established by SHARP, you’ll receive a welcome package from Alight explaining how to log in to the Alight Retiree Health Solutions website, where you can find answers to many of the questions you may have about your individual coverage options and the enrollment process. The welcome package also will include the date and time of your telephone appointment with a licensed Benefits Advisor*. This unbiased, one-on-one assistance is available at no cost to you. You are welcome to invite a family member, friend, or a power of attorney to your appointment.

Please note that you must confirm your appointment for a licensed Benefits Advisor to call you.

The Alight website and your licensed Benefits Advisor provide the help you need to:

- Understand your health insurance options.
- Apply for the plan(s) that meets your health care and financial needs.
- Change your coverage over time if your needs change.

*Licensed Benefits Advisors are certified insurance agents and receive no special compensation to enroll you in a specific plan or with a specific insurance carrier. They can help you make an objective choice that’s right for your needs. By law, individual health insurance purchased through Alight cannot cost more than if you bought the same plan on your own. Our services are provided to you at no additional cost. You only pay for the plans you enroll in.

What to expect during your appointment

On the date of your appointment, your licensed Benefits Advisor will call you during the scheduled time frame to answer your questions and help you select and enroll in an individual health plan (**provided that**

you confirmed your appointment in advance). Your licensed Benefits Advisor will walk you through the enrollment process and any actions you need to take, such as acknowledging the Summary of Benefits documentation and completing an application for the plans you choose. If you've asked a power of attorney, friend, or family member to join the call, make sure this person is available at that time.

Being prepared will help make this process faster. Make sure you're enrolled in both Medicare Part A and Part B and have your Medicare card available for the appointment. Alight may need some information from your Medicare card.

If you're not already enrolled in Medicare Parts A and/or B, contact the Social Security Administration by visiting www.ssa.gov or by calling **1-800-772-1213 (TTY 1-800-325-0778)**. You must be enrolled in Medicare Parts A and B to enroll in an individual health plan.

Already enrolled?

If you already have individual health coverage to supplement your Medicare benefits but would like to make changes to your coverage, you'll need to wait until the annual Medicare open enrollment period (October 15–December 7). Notify SHARP that you are currently enrolled.

Get help paying for coverage

If you're eligible, a health reimbursement account (HRA) will be established in your name and funded by Adventist Retirement. You can use the money in your HRA to reimburse yourself for medical and prescription drug premiums, as well as copays, deductibles, and other eligible out-of-pocket health care expenses. The HRA is a tax-free account, so you don't pay taxes on your balance or reimbursements. These accounts also do not bear interest.

Your Spending Account™ (YSA) is the service that administers your HRA and oversees your reimbursements. For details on how to get reimbursed through your HRA, look for the HRA welcome kit that will be mailed to your home shortly after you complete your enrollment into a medical or prescription drug plan through Alight.

Please note: You must enroll in medical and/or prescription drug coverage through Alight Retiree Health Solutions to qualify for the Adventist Retirement HRA. Also, if you don't enroll through Alight during your initial eligibility window, you won't be eligible for an HRA in the future.

More details about the Adventist Retirement HRA will be included in your Alight welcome package.

Dental and vision coverage

You also have coverage options for these important benefits.

Enrollment in a dental/vision plan through Alight does not grant HRA eligibility.

The second option is SHARP DVH (bundled dental, vision, and hearing coverage), which works on an 80%/20% reimbursement model. Maximum payouts per calendar year are:

Dental:	\$2,200
Vision:	\$400
Hearing:	\$2,200 (with one-year lookback provision)

The Plan operates the DVH separately from the HRA model. If you select SHARP DVH, you will be charged a monthly contribution through your pension or the SHARP ACH bill process. The 2024 monthly

charge is \$105. The plan will pay an earned credit toward your DVH charge, based on your years of qualifying service credit. The numbers shown are per participant.

Years of Qualifying Church Service	Plan DVH Annual Contribution	DVH Annual Charge	Net Annual Cost	Net Monthly Pension Withholding
35+	\$780	\$1260	\$480	\$40
30-34	\$696	\$1260	\$564	\$47
25-29	\$612	\$1260	\$648	\$54
20-24	\$528	\$1260	\$732	\$61
15-19	\$444	\$1260	\$816	\$68

If you choose to waive participation in DVH, the DVH annual contribution shown above will be contributed to your HRA in addition to the standard HRA contribution. **The decision to opt out of DVH is a permanent decision. Adventist Retirement will not allow you to enroll in DVH in the future.**

There are alternatives to DVH in the market; however, those plans may not provide the same level of benefit as offered through SHARP DVH. We urge you to consider options. The licensed Benefits Advisor can help you understand what options are available. You can then decide whether to sign up for SHARP's DVH option or to seek a modest option in the Exchange market.

Important Medicare rules

Medicare enrollment windows are called “Special Enrollment Periods” or “SEP.” You are limited in when and how often you can join, change, or leave a Medicare plan, depending on the type of plan or certain qualifying events. Your retirement qualifies you for an SEP with different deadlines for enrollment in a Medicare Advantage, Medicare Supplement and/or a prescription drug plan.

Medicare Advantage plan or Medicare prescription drug plan (also known as Part D)

Your chance to join begins prior to your retirement date. The SEP lasts for 2 full months after your employer coverage ends.

Medicare Supplement (also called Medigap) guaranteed issue

You can enroll up to 63 days after the date your qualifying employer coverage ends with guaranteed issue. Guaranteed issue means you cannot be denied coverage, or have a premium increase based on past or present health issues. If you had creditable coverage, the carrier also cannot exclude any preexisting conditions, with limited exceptions.

It is important to select your new plans and enroll within the appropriate time frame, to avoid a lapse in your insurance coverage.

Medicare Part D late enrollment penalty

If you do not join a Medicare prescription drug plan when you are first eligible, or if you have a period of 63 or more days in a row without “creditable drug coverage,” Medicare will charge you a penalty for every month you were not covered under a drug plan, and this penalty will last indefinitely. The late enrollment penalty is an amount added to your Medicare Part D monthly premium and depends on how long you went without Part D or other creditable prescription drug coverage.

Medicare Part B late enrollment penalty

In most cases, if you don't sign up for Part B when you're first eligible, you'll have to pay a late enrollment penalty for as long as you have Part B. Your monthly premium for Part B may be up to 10% for each full 12-month period that you could have had Part B but didn't sign up for it. Also, you may have to wait until the general enrollment period (January 1 to March 31) to enroll in Part B. Coverage will start the first of the following month.

Frequently asked questions

What types of medical coverage are available to supplement my Medicare benefits?

Generally, there are two options: Medicare Supplement (Medigap) plans and Medicare Advantage plans. More information about these types of plans will be included in the welcome package you'll receive in the mail. Your licensed Benefits Advisor can help you decide which type of plan is right for your needs and your Medicare-eligible spouse's needs.

Will there be Medicare Advantage plans to choose from that include additional benefits?

Yes. Some Medicare Advantage plans offer additional benefits. Most Medicare Advantage plans include prescription drug coverage, which means you don't need to purchase a separate prescription drug plan. Alight can also help you enroll in a separate dental and/or vision plan offered by a national provider. Those premiums can be reimbursed from your HRA. SHARP DVH premiums cannot be reimbursed from your HRA.

Can I change between Medicare Advantage and Medicare Supplement (Medigap) plans after the initial open enrollment period or from one year to the next? Will pre-existing conditions apply?

Yes, you can change from a Medicare Advantage Plan to a Medicare Supplement (Medigap) plan during the Medicare annual enrollment period (October 15 – December 7) each year.

Please note, after your initial open enrollment or Special Election Period, you may not have guaranteed issue to enroll in a Medicare Supplement (Medigap) plan. This window of opportunity only lasts for a few months, so if you wait until after the guaranteed issue period ends to enroll in a Medicare Supplement plan, you may be subject to underwriting.

This means you may have to answer the health questions on the application. Based upon how you answer the questions, the carrier will determine if you will be accepted or denied coverage into the plan and at what cost. It is a good idea to talk with a licensed Benefits Advisor before deciding to change your plan to ensure there is no impact to your HRA or your coverage options.

Are Medicare Parts A and B enough without supplemental coverage?

If you don't purchase health insurance in the individual market, you'll continue to have coverage under Medicare Parts A and B (assuming you're enrolled in both).

However, we recommend that you find an individual health plan to supplement your Medicare benefits since Medicare alone does not limit your annual out-of-pocket expenses. If you're not already enrolled in Medicare, keep in mind that you could face penalties if you don't enroll during specific enrollment periods. Go to www.medicare.gov for more information about when you need to enroll to avoid penalties.

How long will the appointment with my licensed Benefits Advisor last?

In general, you'll spend about 45 to 90 minutes on the phone with your licensed Benefits Advisor. The length of the call will depend on whether you enroll that day or want to include your eligible spouse, an appointed power of attorney, a friend, or a family member on the call. It will also depend on how much preparation you do in advance and how many questions you have.

For example, if you visit the Alight Retiree Health Solutions website before your call to enter the requested information (your medical needs, prescription drugs you and your Medicare-eligible spouse currently take, etc.), your appointment could be much shorter. See the checklist in the welcome package you will receive for details on how to prepare for your call.

We encourage you to take time to make these important decisions relating to your benefits. If, during the first call with your licensed Benefits Advisor, you are not sure which benefits are right for you and your family, you do not need to enroll. You can schedule additional appointments.

Am I the only one who can speak to my licensed Benefits Advisor?

No. You can include your spouse, a caregiver, friend, or family member on the call. However, only someone with legal power of attorney can enroll for you or sign forms and other documents. When you confirm your appointment, tell your licensed Benefits Advisor if someone will be speaking on your behalf and provide his or her name and phone number.

Will I need to choose the same plan for myself and my spouse?

No. You can choose the coverage that best meets your individual needs and those of your Medicare-eligible spouse. For example, one of you may need a higher level of benefits or a more robust prescription drug plan.

I'm eligible for Medicare, but my spouse and children are not. How will this work?

Since you're Medicare-eligible, you can supplement your Medicare benefits by enrolling in an individual medical and prescription drug plan through Alight. If your spouse is eligible for SHARP, he or she can enroll separately in SHARP Pre-Medicare, a plan for those under age 65, not Medicare-eligible, retirees or spouses. Contact the SHARP office for information about the Adventist Retirement SHARP Pre-Medicare option. When your spouse becomes Medicare-eligible, he or she may also be eligible an HRA contribution and can enroll through Alight Retiree Health Solutions program.

Can Alight help me find coverage for a Medicare-eligible dependent under the age of 65?

In most cases, yes. Your licensed Benefits Advisor can provide access to the tools and resources available to individuals who are not yet 65 but are eligible for Medicare due to a disability. SHARP also offers coverage for Medicare-eligible retirees and spouses under the age of 65. Contact the SHARP office for more information.

Can I use my HRA to pay premiums other than those for medical and prescription drugs—like vision coverage, for example?

Yes. Adventist Retirement allows medical, prescription, vision, and dental premiums to be reimbursed through the HRA if you enroll in a medical or prescription drug plan through Alight. SHARP DVH premiums cannot be reimbursed from your HRA because it is a retirement benefit.

I am under 65 and retired. When can I enroll in Medicare Parts A & B and supplemental plans?

This time frame is called the *Initial Enrollment Period*. The Initial Enrollment Period is a 7-month window which begins 3 months prior to your 65th birthday and ends 3 months after your 65th birthday. This is the time frame when you can enroll in Medicare Parts A & B and supplemental coverage. *Exception:* If you were born on the first day of the month, your "Birth Month" according to Medicare is the month before (one who turns 65 on March 1 will normally have Medicare effective dates of February 1). Enrolling in Medicare Parts A & B is necessary before enrolling in coverage through Alight.

I am over 65 and retiring, and I delayed Part B because I was working. When should I enroll in Part B?

You have an 8-month window to enroll in Part B without penalty. Keep in mind, if you wait, you will not have health insurance for outpatient services until you enroll. Therefore, it is a good idea to have your Part B effective the day after you retire to avoid a lapse in coverage. Medicare will only begin benefits on the 1st of a month.

What if I enroll in Part B after the 8-month enrollment period?

If you wait until after the 8-month period to enroll in Part B, your monthly premium for Part B may go up 10% for each 12-month period that you could have had Part B, but did not sign up, and you will have to enroll during the *general enrollment period* (January 1 to March 31). Coverage will start the first of the following month.

Is the Medicare Part B premium reimbursable through my HRA?

SHARP provides a Medicare Part B reimbursement benefit, a percentage of \$104.90, to retirees with defined benefit service. Contact the SHARP office for more information about this benefit. The remaining portion of the Medicare Part B premium not reimbursed by Adventist Retirement may be submitted for reimbursement from the HRA.

Can I use my HRA to pay for health care expenses other than medical and prescription drugs?

Yes. In addition to your premiums, your HRA can be used for copays, deductibles, and other eligible out-of-pocket health care expenses. Once your HRA has been established, you will find a full description of eligible expenses on the YSA website or by speaking with your licensed Benefits Advisor. SHARP DVH premiums cannot be reimbursed from your HRA.

Can I use my HRA to pay my spouse's group health plan premiums, copays, or other out-of-pocket expenses?

For tax reasons, if your spouse is covered under a before-tax group health plan, his or her premiums and expenses cannot be reimbursed from your HRA.

Why do I pay first?

To keep your reimbursement from being taxed, the IRS requires that you pay eligible health expenses out of your own pocket first. You may then get reimbursed through your HRA.

Why can't Adventist Retirement just pay my health care premiums for me using the funds in my HRA?

For the funds in your HRA to remain a tax-free benefit, the IRS requires that you pay your premiums out of your own pocket first and then request reimbursement through your HRA.

When will I find out how much I'll receive in my HRA?

You'll learn how much Adventist Retirement will contribute to your HRA in the welcome package you'll receive from Alight.

Will the HRA receive an annual cost-of-living adjustment (COLA)?

Adventist Retirement reviews this subsidy annually, but there's no guarantee that the amount contributed to your HRA will increase each year or keep up with inflation.

Will the HRA be offered indefinitely?

While it's Adventist Retirement's intent to make an annual contribution to a retiree's HRA indefinitely, it can't be guaranteed. If you're eligible for this annual subsidy, you'll receive a notice each year about contributions for the following year. If Adventist Retirement decides to end HRA contributions, you'll be notified in advance.

My spouse and I are both eligible for Medicare. Will we each have an HRA account?

No. Contributions that Adventist Retirement makes on behalf of you and your spouse will be combined into one HRA in your name. Reimbursement of eligible expenses will be available to you and your eligible spouse, as long as funds are available in the HRA. If one of you passes away, you may utilize the remainder of the funds in the joint account and the following year only the survivor will receive their annual allocation.

If you are both retirees of Adventist Retirement, your HRA accounts will be separate.

I can enroll in my spouse's group health plan as a dependent, but I want the Adventist Retirement HRA contribution. Can I still receive it if I don't enroll through Alight Retiree Health Solutions?

No. To receive Adventist Retirement's HRA contribution, you must enroll in a medical or prescription drug plan through Alight.

Will I lose the money in my HRA if I don't use it by the end of the year?

No. If you don't spend all the money in your account before the end of the year, your remaining balance will carry over to the following year.

What happens to the balance in my HRA when I die?

If you have an eligible spouse who survives you, he or she will become the account holder of your HRA. The balance in your HRA at the time of your death will be available to your spouse, in a joint account, as long as he or she qualifies for continued coverage after your death. Adventist Retirement will continue to make annual contributions to the HRA for your spouse, as long as he or she remains eligible. If you don't have a spouse, your family/representative has 12 months from the date of death to file any remaining expenses. Funds in the account after the 12-month period are forfeited and won't be paid out as part of your estate.

How can I learn more about my HRA?

More information about your HRA and Adventist Retirement's contributions are in the welcome package you'll receive 30-60 days prior to your retirement effective date. If you enroll through Alight, you'll also receive an HRA welcome kit with complete details about managing your account, filing claims for reimbursement, and signing up for auto-reimbursement.

Help after you enroll

Adventist Retirement has selected Alight Retiree Health Solutions because its services continue after you enroll. Once you've enrolled in a medical or prescription drug plan through Alight, your licensed Benefits

Advisor, as well as customer service representatives and special advocates, are available to help you at no additional cost. Advocates are experienced in a variety of Medicare insurance topics, including claims, billing procedures, appeals, and even getting appointments with specialists. Please note that this type of service is not generally available if you enroll in an individual health plan through an insurance carrier or broker.

Alight will mail you information about your annual HRA amount prior to Medicare's annual open enrollment period, October 15 through December 7, and can help you choose coverage for the following year. It is recommended that you evaluate your coverage based on changes in your health needs or finances annually with the help of a licensed Benefits Advisor.

IMPORTANT: Receipt of your HRA funding is contingent upon you maintaining either a medical or prescription drug plan enrollment through Alight Retiree Health Solutions. Changes such as moving residences and/or enrolling in new coverage outside of Alight will preclude you from receiving your HRA allocation. If your situation causes you to need to enroll in new coverage, you should contact a licensed Benefits Advisor to ensure any enrollment changes do not disrupt your HRA funding.

How to get answers to your questions

We recognize your health plan choices and costs are important to you. The welcome package you'll receive will help answer many of your questions.

For general information, please call Alight Retiree Health Solutions at 1-844-360-4714 (TTY use 711 Relay). Representatives are available Monday through Friday, 8 a.m. to 8 p.m. Central time.