

Ted & Martha - the story behind the story!

Ted and Martha (*not their real names*) are a retired couple (*and longtime members of NARFE*) in their 70's living on Long Island, and who loved their FEHB health plan for years until a fateful day in February 2017. That's when they received their annuity adjustment statement from OPM. ***It was a game-changer.***

They were shocked to learn that their FEHB plan's monthly premium **doubled** on January 1st. In addition, both Ted and Martha are enrolled in Medicare Parts A and B and both are paying a monthly premium for their Medicare Part B coverage. ***Not to worry, this story does have a happy ending. Here's what they were facing each month in 2017.***

Medicare Part B	\$109 a month for each	\$218.00
FEHB premium	\$660.17 (for 2016)	\$1,296.25 (for 2017)
For a hefty total monthly health insurance premium of:		\$1,514.25

Not knowing where to turn, on February 8th they happened on our website, and contacted us for help. After chatting and corresponding with them, and as a result of being ***“Medicare-eligible”*** we suggested that they immediately do some comparison shopping, and look for a FEHB plan that might be suitable for them – *we did offer some suggestions.*

By February 12th they had done their research and found an FEHB plan that was not only suitable, but would save them significant out of pocket premiums each month, and would make them eligible for partial reimbursement of their Medicare Part B premiums.

By February 13th, they completed their request for change, using OPM Form 2809 and QLE code 2L and submitted it to OPM for processing. We had already cautioned them that this process could take anywhere from 60 to 120 days and that we would stay on top of it as well.

By April 11th, Ted and Martha still had not heard from OPM and they were getting anxious, so we initiated an inquiry to OPM. However, it wasn't until May 1st, when Ted and Martha received this response from OPM:

“Your Medicare eligibility occurred at age 65 (3/17/2005) and you were age 75 on 3/17/2015. Due to the doubling the premium from \$635 to \$1,296 per month we will allow you a retroactive election to 1/1/2017.”

Based on their choice of a new FEHB plan, Ted and Martha's monthly premiums for 2017 looked like this:

Medicare Part B	\$109 a month for each	\$218.00
New FEHB plan	Includes Medicare Reimbursement	\$263.29 (for 2017)
For a new total monthly health insurance premium of:		\$481.29 (for 2017)

- ★ *Ted and Martha realized a savings of more than \$1,000 per month in total health insurance premiums.*
- ★ *They also gained another important benefit, their new plan offers reimbursement of certain medical expenses, including partial reimbursement for their Medicare Part B premiums.*
- ★ *Ted and Martha's current FEHB monthly premium increased by \$26 in 2018, and are now at \$289.29.*
- ★ *And, best of all, they received a refund in excess of \$4,000 in July of 2017 from the U.S. Office of Personnel Management (OPM).*

The lesson:

*Don't ignore the annual federal benefits open season. Even if you love your FEHB plan, have had it for 20 years or more and want to keep it. **Remember benefits, services, and prices do change every benefit year. Also remember, that when you are retired, and you are enrolled in original Medicare, that Medicare is your primary payer, your FEHB plan only covers about 20% of your medical costs.***

We're just sayin'!

*The NARFE New York State Federation wishes to thank **GovExec.com** and **Tammy Flanagan** for recognizing the importance of this story.*