

Invested in you

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guiding the way

How Your VBO Healthcare Coverage Works with Medicare

If you and/or your spouse:





- are currently age 65,
- will turn age 65 before you transition from Fidelity, or
- will turn 65 during the first 18 months of VBO Healthcare Coverage

it's important for you to know how your VBO Healthcare Coverage works with Medicare (Parts A and B). We've put together some information and resources to help you get started, including knowing when to enroll in Medicare to avoid higher out-of-pocket costs and potential Medicare late-enrollment penalties. Remember, you can always contact Health Advocate (866-799-2552) with any questions.

What is Medicare? ↓

Medicare is a federal health insurance program and you typically enroll when you become eligible (currently age 65).

There are four parts of Medicare, and each covers different services.

<p>Part A</p>  <p>Learn More</p>	<p>Part B</p>  <p>Learn More</p>	<p>Part C</p>  <p>Learn More</p>	<p>Part D</p>  <p>Learn More</p>
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Why do I need to enroll in Medicare? ↓

If you enroll in VBO Healthcare Coverage and are eligible for Medicare, the VBO medical plan will treat Medicare as your primary coverage, regardless of whether you enroll in Medicare, and the VBO medical plan will be secondary.

To minimize your out-of-pocket expenses and to avoid late-enrollment penalties, you'll want to sign up for Medicare Parts A and B (or, a Medicare Advantage Plan, referred to as Part C).

Note: The prescription drug coverage available through the VBO medical plan will be treated as “creditable coverage” so you can continue to delay enrolling in Medicare Part D without incurring late-enrollment penalties. For more information on enrolling in Medicare Part D, visit www.medicare.gov.

When do I need to enroll in Medicare? ↓

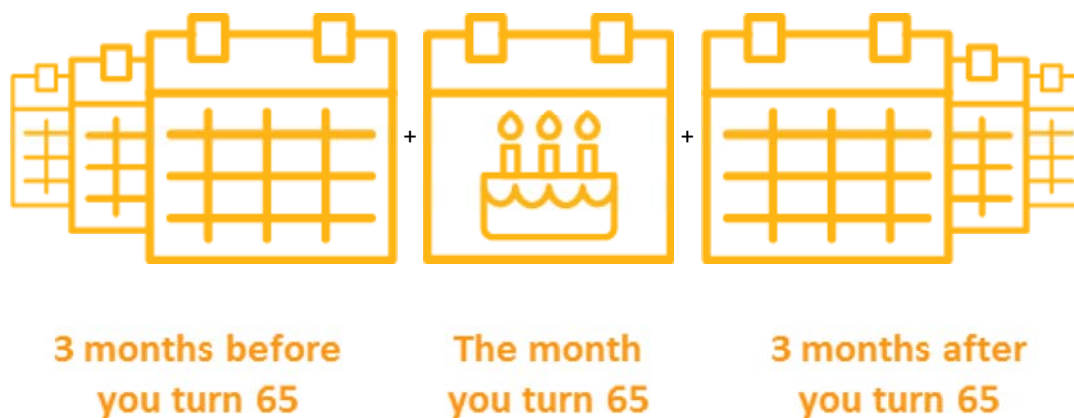
Generally, there are two one-time enrollment periods, the Initial Enrollment Period (IEP) and a Special Enrollment Period (SEP), when you can enroll in Medicare without incurring any late-enrollment penalties.

Depending on your personal situation, you may already be enrolled in Part A, Parts A and B, or neither. You should keep in mind that VBO Healthcare Coverage works with both Parts A and B, so you will want to enroll in Medicare with an effective date of July 1, 2017 or the month you turn 65 (if later) to avoid higher out-of-pocket costs.

Initial Enrollment Period

You can enroll in Medicare when you first become eligible (currently when you turn age 65). This is called your Initial Enrollment Period (IEP).

The IEP lasts for seven months:



Special Enrollment Period

If you have coverage under an employer's medical plan (like Fidelity's medical coverage for active associates) when you first become eligible for Medicare (currently when you turn age 65), you can delay enrolling without incurring any late-enrollment penalties.

Once your employment ends, or you no longer have employer-provided medical coverage as an active associate (and your IEP has ended), then you can enroll in Medicare during a Special Enrollment Period (SEP) without facing any late-enrollment penalties. **The SEP is an 8-month period that begins the month after your employment or employer-provided coverage ends.**

When will my Medicare coverage be effective? ↓

Whether you enroll during your IEP or SEP, the effective date of your Medicare coverage depends on when during that period you enroll.

While it's a good idea to become familiar with how the IEP and SEP work, we understand the rules for each can be complex. If you're planning to enroll in VBO Healthcare coverage, and want to minimize your out-of-pocket expenses by enrolling in Medicare so your Medicare coverage is effective on July 1 or the month you turn 65 (if later), we have created this table that summarizes when to enroll in Medicare.

If your last day with Fidelity is September 30 or December 31, use [this table](#) to see when your Medicare coverage will be effective.

If you turn 65...	Enroll in Medicare During...	Your Coverage Will Be Effective...
On or before January 31, 2017	April through July 2017	July 1, 2017 (you will need to choose July 1 if you enroll in April, May or June)
February 2017	April, June or July 2017	July 1, 2017 (you will need to choose July 1 if you enroll in April or June)
March 2017	July 2017	July 1, 2017
April 2017	May 2017	July 1, 2017
May 2017	May 2017	June 1, 2017
June 2017	June 2017	July 1, 2017
On or after July 1, 2017	The first 3 months of your IEP	The first of the month in which you turn 65 (if your birthday is on the first of the month, then you become eligible on the first day of the preceding month.)

Note: If you enroll during your IEP or SEP but not in the months shown above, you may end up with “double” coverage (i.e., you have both Medicare and Fidelity coverage as an active associate) or a “gap” in coverage (i.e., you have VBO Healthcare Coverage but your primary coverage through Medicare is not yet effective). If you enroll in Medicare during your SEP and while you are still covered under Fidelity's health plan as an active employee, you can choose the date Medicare coverage starts.

How do I enroll in Medicare? ↓

You can enroll in Medicare in three ways:

1. Online at www.SocialSecurity.gov.
2. By calling Social Security at 1-800-772-1213 (TTY users 1-800-0778), Monday through Friday, from 7AM to 7PM.
3. In-person at your local Social Security office.

If you enroll during your Special Enrollment Period (SEP)

In order to apply for Medicare during your SEP, you must have or had group health plan coverage through your or your spouse's current employer.

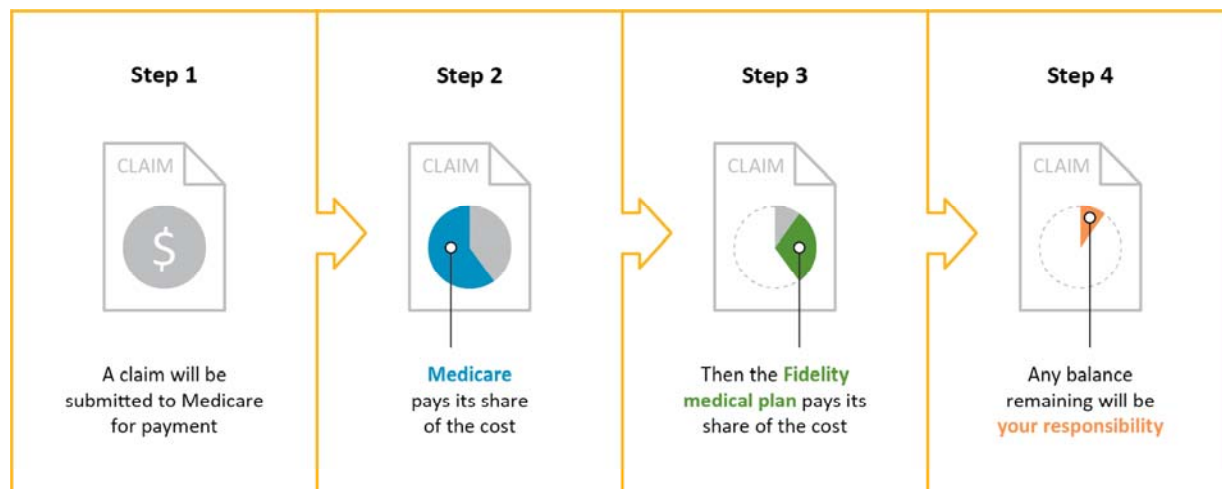
You/your spouse will be asked to confirm group health coverage in order to avoid late enrollment penalties for Medicare. After you have received the necessary forms from Medicare, complete Section A and then fax your form to 603-579-2929 or mail it to:

Fidelity Investments Employee Benefits – TS3X (VBO)
1 Spartan Way
Merrimack, NH 03054

Fidelity will complete the required information about your healthcare coverage and dates of employment, and will return the form to you via email or US Mail (to your home address on record).

How will Medicare work with VBO Healthcare Coverage? ↓

If you enroll in VBO Healthcare Coverage, the Fidelity medical plan you select for VBO coverage will treat Medicare as your primary coverage, whether or not you enroll in Medicare, and the Fidelity medical plan will be your secondary coverage. Here's how your medical bills will be paid:







If you do not enroll in Medicare, or enroll with an effective date after the later of July 1, 2017 or the month you turn 65*, the Fidelity medical plan you select will still act as your secondary coverage but since no Medicare benefits will be applied—you will be responsible for any payments Medicare would have made on your behalf.

*Based on Medicare eligibility commencing at age 65. You become Medicare-eligible the first of the month in which you turn 65; if your birthday is on the first of the month, then you become eligible on the first day of the preceding month.

If you cover your spouse

If your spouse is covered under your VBO healthcare and is not age 65, medical claims will be submitted to your Fidelity medical plan. Medicare will not be taken into account until your spouse turns 65. Based on when your spouse turns 65, he/she will need to enroll in Medicare in the same periods as shown in the table above to minimize out-of-pocket expenses.

Where can I get more information? ↓

<p>Call Health Advocate 866-799-2552</p> 	<p>Read the <i>Top 10 Things to Know About Medicare</i></p> 	<p>Visit the Medicare website</p> 	<p>Connect with your State's Health Insurance Assistance Program (SHIP)</p> 
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