

Charting the Course

YOUR NEXT CHAPTER

RETIREMENT & HEALTH COVERAGE

Navigating insurance is never easy. Here at MUST, we strive to be a resource for Montana's public schools, and their employees. Retirement is an exciting time and we know a lot of consideration goes into planning—especially around insurance.

Below are reputable resources for information regarding health insurance: [healthcare.gov](https://www.healthcare.gov), [healthinsurance.org](https://www.healthinsurance.org), and [kff.org](https://www.kff.org).

As a current, or soon-to-be retiree, below is a high-level overview of options you can evaluate to determine what may be best for you and your needs.

MUST RETIREE HEALTH COVERAGE UNDER YOUR DISTRICT

This is subject to the terms and conditions of the MUST Summary Plan Description. Options include those benefits your district annually elects for its active population; plans vary by district.

COBRA

If your coverage terminates under the MUST health plan, you may be eligible under COBRA to continue the same coverage you had when coverage ended, on a temporary self-pay basis. COBRA requires this continuation of coverage be made available to covered Participants—called qualified beneficiaries under COBRA—on the occurrence of a qualifying event. Retirement is a qualifying event.

For questions about your options, contact
Jarett Laden, MUST Marketing Representative
406.366.3252 | jladen@ms-sf.org

OR

Jeff Goody, MUST Marketing & Sales Director
406.457.4415 | jgoody@ms-sf.org



mustbenefits.org

406.457.4400

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MEDICARE

POST 65 OPTIONS

ORIGINAL MEDICARE + MEDICARE SUPPLEMENT+ PART D PRESCRIPTION DRUG

If a retiree is already enrolled or eligible to enroll into Medicare Part A and/or Medicare Part B (generally age 65 or older), enrolling in Medicare Supplement with a Prescription Drug Plan (Part D) is likely a huge savings to enrollees. The premiums, in general, are typically 1/3rd of the cost retiree programs, and the benefits are greater than or equal to employer retiree coverage.

MEDICARE ADVANTAGE

Medicare Advantage is a lower-cost monthly premium program that is similar to Original Medicare, but is a privately run program purchased directly from an insurance company. With this option, enrollees pay reasonable co-pays for services received, and the monthly premiums are even lower than the Original Medicare program + Supplement described above. Medicare Advantage is a great fit for lower, fixed income households to get great health and prescription coverage for \$40-\$90 per person per month.

PRE 65 OPTIONS

INDIVIDUAL MARKETPLACE Healthcare.gov

This program was made for those individuals/married couples who qualify based on annual income level thresholds set by the federal government. A positive trait of this program is assets, including properties or bank account/investment balances, do NOT factor into the calculation. Rather, the program is solely

based off of the household's "Adjusted Gross Income" (AGI) from the 1040 tax filing each year. The AGI is what determines the cost and benefits for insurance. Retirees with a pension and fixed income generally qualify for this program that makes health insurance more affordable than available retiree coverage. For example, the current income thresholds for households of 1 and 2 tax filers are:

Household of 1 = \$16,800 - \$47,000
Household of 2 = \$24,500 - \$68,000

If you are not yet age 65, and your AGI income would put you in these income brackets, shopping the Marketplace coverage may help to save money while still receiving comprehensive coverage.

PRIVATE INDIVIDUAL COVERAGE (Non-Marketplace)

For those households who do not qualify based on income, buying individual coverage directly from a private insurance company is available. This is generally the most expensive option in the private market, but comparing the costs of this insurance versus the retiree coverage is a worthwhile exercise.

