

THE **EMPLOYER'S** GUIDE TO **MEDICARE** RETIREE BENEFITS

Smart Strategies for
Controlling Healthcare Costs
and Supporting Your Retirees



SUPPORT RETIREES
THROUGH TRANSITIONS



MANAGE COSTS
MORE EFFECTIVELY



OFFER BETTER
BENEFIT CHOICES



STRENGTHEN LOYALTY
AND RETENTION

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Employer's Guide to Medicare Retiree Benefits

Welcome to the Employer's Guide to Medicare Retiree Benefits, your go-to source for making Medicare Retiree Benefits simple and easy to understand. This guide is made for you, providing strategies for managing Healthcare costs for your Medicare-Eligible Employees and Retirees.

Discover what this short guide offers:

- Understanding Medicare
- Employer Responsibilities
- Retiree Benefit Options
- Group Medicare Solutions
- Medicare Medical Savings Accounts (MSAs)
- Cost Reduction Strategies
- Benefits Planning Checklist

By reading this guide, you'll conquer the confusion and uncertainty surrounding Medicare.

You'll learn to navigate the details with ease, moving from feeling lost to being in control.

If you need more help, our team at OnPoint Management is here for you. We've helped thousands of happy clients, and we're ready to offer you personalized support at **No Cost**.

Schedule a one-on-one appointment by giving us a call at **(208) 573-1250** or click on this [calendar](#) link, and we'll make your Medicare-Eligible Employees and Retirees Medicare journey as smooth as possible.

Sincerely,

Keith Paduch

Founder and Chief Educator



Employer's Guide to Medicare Retiree Benefits

Here's What You'll Learn:

1. Why Medicare Matters to Employers
2. Understanding Medicare
3. Challenges Facing Employers
4. Retiree Healthcare Benefit Options
5. Medicare Advantage vs Medicare Supplement
6. Medicare Medical Savings Accounts (MSAs)
7. Group MSA Strategies
8. Employer Cost Containment Opportunities
9. Frequently Asked Questions
10. Employer Benefits Planning Checklist
11. Next Steps

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Why Medicare Matters to Employers

Healthcare costs continue to be one of the largest expenses for employers.

Many businesses are facing:

- An aging workforce
- Rising insurance premiums
- Increasing retiree benefit costs
- Difficulty attracting and retaining experienced employees

For employers with workers approaching age 65, Medicare planning can become an important component of a comprehensive benefits strategy.

Proper planning can:

- ✓ Reduce employer healthcare expenses
- ✓ Improve retiree satisfaction
- ✓ Expand benefit choices
- ✓ Support workforce transitions into retirement

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Understanding Medicare

Medicare Part A

Hospital Insurance

Typically covers:

- Inpatient hospital care
- Skilled nursing facility care
- Hospice care
- Some home health services

Most individuals qualify without paying a premium.

Medicare Part B

Medical Insurance

Typically covers:

- Physician services
- Outpatient care
- Preventive services
- Durable medical equipment

Beneficiaries pay a monthly premium.

Medicare Part D

Prescription Drug Coverage

Provides coverage for:

- Generic medications
- Brand-name medications
- Specialty medications

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Available through private insurance companies approved by Medicare.

Medicare Supplement Insurance (Medigap)

Helps cover expenses Original Medicare does not fully pay.

Examples include:

- Deductibles
- Coinsurance
- Copayments

Medicare Advantage (Part C)

Offered through private insurance companies.

Combines:

- Part A
- Part B
- Often Part D

May include additional benefits such as:

- Dental
- Vision
- Hearing

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Challenges Facing Employers

Common Employer Concerns

Rising Premium Costs

Healthcare expenses continue increasing year after year.

Retiree Benefit Liabilities

Employers offering retiree benefits often experience growing financial obligations.

Workforce Transition

Employees approaching retirement frequently need Medicare education and guidance.

Compliance Concerns

Employers must coordinate Medicare eligibility with group health plan requirements.

Retiree Healthcare Benefit Options

Option 1: Traditional Retiree Coverage

Advantages:

- Familiar structure
- Employer-sponsored

Challenges:

- High employer cost
- Administrative burden
- Long-term financial liability

Option 2: Medicare Supplement Plans

Advantages:

- Broad provider access
- Predictable healthcare expenses

Challenges:

- Higher premiums
- Separate prescription coverage often required

Option 3: Medicare Advantage Plans

Advantages:

- Lower premiums
- Additional benefits

Challenges:

- Network limitations
- Prior authorization requirements may apply

Option 4: Medicare Medical Savings Account (MSA) Plans

Advantages:

- Consumer-driven healthcare
- Annual plan deposit
- Nationwide provider access through Original Medicare
- No provider networks
- No referrals

Challenges:

- Higher deductible structure
- Requires beneficiary understanding of account management

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Medicare Advantage vs Medicare Supplement

<u>Feature</u>	<u>Medicare Advantage</u>	<u>Medicare Supplement</u>
Provider Networks	Often Required	Generally Nationwide
Referrals	May Be Required	Not Required
Prior Authorization	Common	Rare
Monthly Premiums	Often Lower	Usually Higher
Additional Benefits	Often Included	Limited
Out-of-Pocket Maximum	Included	Varies

Understanding Medicare Medical Savings Accounts

What Is an MSA?

A Medicare Medical Savings Account combines:

1. A high-deductible Medicare Advantage plan
2. A medical savings account funded annually

The health plan deposits money into the member's account.

Funds can be used for qualified medical expenses.

Unused balances may roll over from year to year.

Potential Benefits

- ✓ Greater flexibility
- ✓ Consumer control
- ✓ Long-term account accumulation
- ✓ Nationwide provider access
- ✓ No referrals
- ✓ No prior authorizations

Group MSA Strategies for Employers

Certain Medicare MSA solutions allow employers and organizations to offer healthcare options designed for Medicare-eligible participants.

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Potential employer advantages may include:

- Lower benefit costs
- Flexible contribution strategies
- Simplified retiree benefit administration
- Enhanced employee choice

Employers should evaluate these solutions carefully with a licensed benefits advisor.

Employer Cost Containment Opportunities

Medicare Transition Planning

Educating employees before age 65 may help reduce confusion and improve decision-making.

Retiree Benefit Reviews

Regular reviews can identify:

- Duplicate coverage
- Unnecessary expenses
- Alternative plan opportunities

Defined Contribution Strategies

Some employers prefer contributing a fixed amount toward retiree healthcare expenses rather than sponsoring traditional retiree plans.

Health Reimbursement Arrangements (HRAs)

Employers may reimburse eligible healthcare expenses through certain HRA designs.

Benefits can include:

- Predictable budgeting
- Tax advantages
- Employee flexibility

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Frequently Asked Questions

Do employers have to provide retiree health insurance?

No. Most employers are not required to provide retiree healthcare coverage.

Can employees keep working after age 65?

Yes. Medicare coordination depends on employer size and individual circumstances.

Should employees enroll in Medicare at age 65?

It depends on:

- Employer size
- Current coverage
- Spousal coverage
- Future retirement plans

Professional guidance is recommended.

Can Medicare reduce employer healthcare costs?

In many situations, Medicare planning may help reduce overall healthcare expenditures for employers and retirees.

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Employer Benefits Planning Checklist

Workforce Assessment

- ☐ Identify employees approaching age 65
- ☐ Review current retiree benefit obligations
- ☐ Analyze healthcare spending trends
- ☐ Review compliance requirements
- ☐ Evaluate Medicare education opportunities
- ☐ Consider alternative retiree benefit strategies
- ☐ Conduct annual benefits review
- ☐ Develop employee communication plan

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Next Steps

Complimentary Employer Benefits Review

OnPoint Management helps employers evaluate:

- Medicare transition strategies
- Retiree healthcare options
- Group Medicare solutions
- Small business benefits programs
- Individual employee Medicare planning

Schedule Your Complimentary Review

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About OnPoint Management

OnPoint Management serves businesses, retirees, and families by providing guidance on:

- Medicare Planning
- Individual & Family Health Insurance
- Small Group Benefits
- Life Insurance
- Supplemental Coverage

Helping Employers Make More Informed Healthcare Decisions.

Disclaimer: This guide is intended for educational purposes only and should not be considered tax, legal, or financial advice. Medicare plan availability and benefits vary by location and carrier. Consult with a licensed professional regarding your specific situation.