

A photograph of the Iowa State University campus, featuring a large domed building on the left and a large tree in the foreground. The entire image is overlaid with a semi-transparent red filter. Two thin horizontal lines are visible: one above the text and one below it.

IOWA STATE UNIVERSITY

University Human Resources

The background of the slide is a photograph of the Iowa State University campus, featuring the Old Capitol building on the left and various other university buildings and trees. The entire image is overlaid with a semi-transparent red color. A thin horizontal line is positioned across the middle of the slide, just below the subtitle.

Preparing for Retirement

ISU RETIREE INSURANCE AND MEDICARE

Qualification for Retirement

55 years of age or older,
regardless of years of service.

Learn more before you go

- The Retirement checklist can be found on the ISU Retiree website for employees to review the process
 - <https://hr.iastate.edu/retiree-benefits>
- Call 294-4800 or email benefits@iastate.edu to set up a time to discuss possible retirement dates, start the benefits paperwork process and review the steps with an ISU Benefits Consultant

Retirement Steps

- Decide on a retirement date, what is the last day you will be working?
- 9 month faculty retire in May or December, unless they work in the summer or need to retire due to other circumstances.
- The last day of work has bearing on insurance continuation and possibly on Medicare effective dates.

Retirement

- If retirement is within 3 months of Medicare eligibility for you or a dependent – discuss with Social Security Administration on when to apply for Part B.
- Benefits Office has additional paperwork process for the Special Enrollment Period for those who had previously declined Part B.
 - Avoid late enrollment penalty

Workday Retirement Process

- Employees may submit their retirement notice in Workday
- Click on the person icon/your picture in the upper right corner and click “View Profile”
- A blue banner menu appears on the left. Click on “Actions” under your name/title, put cursor on “Job Change”
- Click “Resign”
- Enter proposed separation date (this is the last day you are at work)
- Click Voluntary the click “Worker Resignation > Voluntary > Retirement” (last option)

Vacation/Sick Leave

- Unused sick leave automatically pays out up to \$2,000 maximum
- Unused vacation, vacation credit will be paid out.
- The payout is included on your final pay.
- If interested in sheltering the payout from most (not all) taxes, there is a process in Workday to complete & submit by the 15th of the month in which you retire.
- Questions on the request: Fringe Benefit Accounting & Compliance Office
 - fbac@iastate.edu
 - 515-294-7662

Basic Life Insurance

- Life insurance terminates at retirement.
- Notice within Workday on option to continue life insurance as a personal policy.
- Information, rates and application: www.principal.com/isu

Long Term Disability Insurance

- Do health issues have you contemplating an earlier retirement?
- LTD insurance ends upon retirement date.
- Explore benefits of applying for LTD
 - replacement income
 - life insurance paid by LTD insurance
 - ISU Plan Medical/Rx/Dental continuation
- Limitations? Paperwork, approvals, possible delayed access to retirement account funds.

Qualifying for ISU Retiree Insurance

- To qualify to continue to participate in ISU retiree group medical/prescription and/or dental insurance:
 - Continuous enrollment in the University group plan(s) for **5 years** or longer up to the last day of work.

Continuing Group Medical and/or Dental Insurance

- Meet with an ISU Benefits Consultant:
 - If continuing ISU insurance, choose your plan and line up Medicare, if qualified.
 - Complete forms for continuing coverage, including Medicare Part D if eligible and submit to ISU Benefits Office prior to the date active employee insurance ends.

After Retirement – Paying Premiums

- When continuing the ISU medical/prescription insurance, Wellmark sends the premium billing to the retiree.
 - **You must stay with the ISU group prescription drug plan to stay in the group medical plan.**
- Delta Dental sends the premium billing to the retiree
- Automatic withdraw available to let Wellmark/Delta Dental pull the premium directly from your bank account.

Options for those considering leaving the ISU group plan for other plans

- Contact SHIP for assistance with Medicare options
 - Statewide: 1-800-351-4664 (TTY 1-800-735-2942)
 - Website: www.shiip.iowa.gov
 - Email: shiip@iid.iowa.gov
- Transfer to other group options (spouse's employer plan, a new employer's plan, Professional Associations, etc.) or Healthcare Marketplace

Retiree Open Enrollment

- Each year: October 15th – December 7th
- Effective dates of changes:
 - January 1st of the next year
- Events that take place outside of open enrollment must be reported within 30 days of the event
 - Examples: Marital status change, dependent no longer eligible, dependent gain/loss of other coverage

Dental Insurance

- Administered by Delta Dental of Iowa
- Two plan choices:
 - Basic Plan
 - Comprehensive Plan – 3-year lock in
- PPO plus Premier Network
- If you drop coverage, you cannot re-enroll.

Dental Plan Comparison

| Delta Dental Premier Plus PPO | Basic | Comprehensive 3-year lock in |
|---|--|---|
| Maximum Per Person/Year | \$750 (applied to restorative services only) | \$1,500 |
| Annual Deductible – applied to first restorative visit | \$25 | \$50 |
| Check Ups & Cleaning | 100% | 100% |
| BASIC RESTORATIVE | | |
| Cavity Repair & Extractions | 50% | 80% |
| Root Canals | 50% | 80% |
| Gum & Bone Disease | 50% | 80% |
| MAJOR RESTORATIVE | | |
| High Cost Restorations | 50% | 50% |
| Bridges, Dentures, Implants | Not Covered | 50% |
| Orthodontics | Not Covered | 50% after deductible up to lifetime maximum of \$2,000 (no age limit) |

2025 Dental Insurance Premiums

| Tier of Coverage | Basic Plan | Comprehensive Plan |
|--------------------------|------------|--------------------|
| Retiree | \$25.00 | \$44.00 |
| Retiree & Spouse/Partner | \$60.00 | \$113.00 |
| Retiree & Child(ren) | \$67.00 | \$119.00 |
| Retiree & Family | \$77.00 | \$135.00 |

Medical Insurance

- Administered by Wellmark Blue Cross/Blue Shield
 - BluePPO (the Preferred Provider Organization, a national network of the Blue Cross Blue Shield Association)
 - BlueHMO (the Wellmark Health Plan of Iowa Network)
- If you drop coverage, you cannot re-enroll.

Wellmark

BluePPO

- Access to nationwide network of participating providers
- Deductible, coinsurance and out-of-pocket maximums for in-network and out-of-network do not aggregate
- Deductible and out-of-pocket maximums reset every January

BlueHMO

- Iowa network of participating providers
- Emergency services only outside the state of Iowa
- Must designate a primary care physician (PCP)
 - Female participants may also designate a primary OB/GYN physician
- Referrals are not required for in-network providers
- Out-of-Network Specialist: Wellmark must approve out-of-network referrals before you receive services
- Guest membership: while away from home for 90 days or longer.
 - College students
 - Snowbirds
- Deductible and Out-of-pocket maximum resets every January

| Plan Provisions | BluePPO | | BlueHMO |
|---|---|--|---|
| | In-Network | Out-of-Network | *PCP designation required |
| Annual Deductible <ul style="list-style-type: none"> Single Family | \$400 \$800 | *Does not aggregate \$800 \$1,600 | \$250 \$500 |
| Coinsurance <ul style="list-style-type: none"> In-patient or out-patient services | 20% | 40% | 10% |
| Annual Out-of-Pocket Maximum <ul style="list-style-type: none"> Single Family | \$2,000 \$4,000 | \$4,000 \$8,000 | \$1,500 \$3,000 |
| Preventive Services | \$0 | 40%, after deductible | \$0 |
| Office Visit <ul style="list-style-type: none"> Mental Health Services Physical Therapy Occupational Therapy Speech Therapy *Non-office setting, coinsurance may apply | \$25 copay per provider per date of service (a separate copay may apply to lab and x-ray services if billed separately under a different provider) | 40%, after deductible | \$15 copay per provider per date of service (a separate copay may apply to lab and x-ray services if billed separately under a different provider) |
| Emergency Room | \$125 copay, plus 20% coinsurance *copay waived if admitted | \$125 copay, plus 20% coinsurance *copay waived if admitted | \$125 copay, plus 10% coinsurance *copay waived if admitted |

- **Medicare eligible retirees minimally impacted due to Medicare being primary payer**
- Copays, deductible & coinsurance apply to yearly out-of-pocket maximum

2025 Medical & Prescription Premiums – Single Plan

| Plan Tier (price includes appropriate prescription coverage) | BluePPO & RX | BlueHMO & RX |
|---|-------------------------|-------------------------|
| Retiree Only | | |
| Not Medicare eligible | \$823.00 | \$804.00 |
| Medicare eligible | \$393.00 | \$375.00 |

2025 Medical & Prescription Premiums – Retiree & Spouse/Partner

| Plan Tier (price includes appropriate prescription coverage) | BluePPO & RX | BlueHMO & RX |
|---|-------------------------|-------------------------|
| Retiree & Spouse/Partner | | |
| Two not Medicare eligible | \$1,874.00 | \$1,838.00 |
| One with Medicare, one without Medicare | \$1,210.00 | \$1,173.00 |
| Two Medicare eligible | \$780.00 | \$744.00 |

2025 Medical & Prescription Premiums – Retiree & Child(ren)

| Plan Tier (price includes appropriate prescription coverage) | BluePPO & RX | BlueHMO & RX |
|---|-------------------------|-------------------------|
| Retiree & Child(ren) only | | |
| Retiree is not Medicare eligible | \$1,464.00 | \$1,438.00 |
| Retiree is Medicare eligible | \$1,034.00 | \$1,009.00 |

2025 Medical & Prescription Premiums – Retiree & Family

| Plan Tier (price includes appropriate prescription coverage) | BluePPO & RX | BlueHMO & RX |
|--|--------------|--------------|
| Family – Retiree, Spouse/Partner and child(ren) | | |
| None are Medicare eligible | \$2,401.00 | \$2,337.00 |
| One with Medicare & others without Medicare | \$1,737.00 | \$1,672.00 |
| Two Medicare eligible & others without Medicare | \$1,307.00 | \$1,243.00 |

ISU Plan as Medicare Secondary Plan

- Keep original Medicare (A & B). Medicare is required and must be the primary insurance for those eligible for Medicare when retired.
- The ISU Wellmark plan is secondary insurance
- Patient liability is a rare occurrence but can happen. If you have an amount to pay at a clinic or hospital, you may want to follow up on why.
- ISU Benefits Office will mail information to upcoming newly Medicare eligible members 3 months before Medicare eligibility.
- **If you become Medicare eligible early due to disability, End-Stage Renal Disease (ESRD), or ALS, you must notify the Benefits Office in order to update your benefits and enroll in our Medicare Part D prescription plan (Humana).**

Medicare Part B Premiums

- Each year, Part B premiums are based on income from 2 years earlier.
2023 income will determine your 2025 Medicare Part B premium
- Pay attention each year to gross income and possible capital gains.
- Required minimum distributions from retirement plans can trigger higher Medicare premiums a couple of years later.
- 2025 Medicare Part B Premiums
 - <https://www.medicare.gov/basics/costs/medicare-costs>

*Separate premium from the ISU Wellmark premium

2025 Medicare Part B Premiums

| If your yearly adjusted income in 2022 was... | | | ...then |
|---|---------------------------------------|---------------------------------------|------------------|
| File Individual Tax Return | File Joint Tax Return | File Married & Separate Tax Return | Each Person Pays |
| \$106,000 or less | \$212,000 or less | \$106,000 or less | \$185.00 |
| Above \$106,000 up to \$133,000 | Above \$212,000 up to \$266,000 | Not applicable | \$259.00 |
| Above \$133,000 up to 167,000 | Above \$266,000 up to \$334,000 | Not applicable | \$370.00 |
| Above \$167,000 up to \$200,000 | Above \$334,000 up to \$400,000 | Not applicable | \$480.90 |
| Above \$200,000 & less than \$500,000 | Above \$400,000 & less than \$750,000 | Above \$106,000 & less than \$394,000 | \$591.90 |
| \$500,000 or above | \$750,000 or above | \$394,000 or above | \$628.90 |

Prescription Coverage

- The ISU Wellmark Plan premiums includes the Express Scripts / Humana Part D Prescription Drug Plan (PDP)
- There is not a choice of prescription plans.
- Express Scripts is covered for pre-Medicare members
- The ISU Humana PDP is required for retirees/any family members that are Medicare eligible on the ISU Wellmark medical plan.
- The ISU Humana plan is a unique group Medicare Part D PDP

Express Scripts

| Annual Out-of-Pocket Maximum | Single \$2,000 Family \$4,000 |
|--|--|
| <p>30-day supply – retail pharmacy</p> <p>*If you're on a maintenance medication, you may qualify for Smart90 where you will be required to move to a 90-day supply at retail or mail order.</p> | <ul style="list-style-type: none"> • \$15 copay for generic • 30% coinsurance for preferred brand name (\$125 maximum copay/prescription) • 50% coinsurance for non-preferred brand name (\$250 maximum copay/prescription) |
| <p>90-day supply – retail pharmacy</p> | <ul style="list-style-type: none"> • \$0 copay for generic • 25% coinsurance for preferred brand name (\$300 maximum copay/prescription) • 33% coinsurance for non-preferred brand name (\$600 maximum copay/prescription) |
| <p>90-day supply – Express Scripts Home Delivery Pharmacy</p> | <ul style="list-style-type: none"> • \$0 copay for generic • 25% coinsurance for preferred brand name (\$300 maximum copay/prescription) • 33% coinsurance for non-preferred brand name (\$600 maximum copay/prescription) |

Humana Part D Prescription Drug Plan (PDP)

- Custom Part D plan for ISU
- Effective when eligible for Medicare Part B
- Drugs purchased that are not covered by Medicare Part D do not count towards the Humana plan.
 - Such as drugs categorized as Medicare Part B:
immunosuppressive drugs, durable medical equipment, certain vaccines, and certain cancer drugs.
 - Or drugs exempt from Medicare B & D: drugs used for cosmetic purposes, weight loss or gain and over the counter medications.

Medicare Part D Standard “Framework” for 2025

| | 2024 | 2025 |
|-------------------------------------|---------------------------------------|--|
| Deductible | \$545 – eliminated for ISU members | \$590 – eliminated for ISU members |
| Initial Coverage Limit (ICL) | \$5,030 | Not Applicable |
| Out-of-Pocket Threshold | \$8,000 – ISU members OOP was \$2,500 | \$2,000 (required by IRA for all Part D Plans) |

- All Part D plans will have required changes in 2025.
 - Initial coverage limit will no longer be applicable
 - Out-of-pocket threshold will decrease from \$8,000 to \$2,000

Humana Plan Design

| | Retail Pharmacy: 30-day supply (90-day supply) | Mail Order: 90-day supply (CenterWell Pharmacy) |
|---|---|---|
| Deductible | \$0 | |
| Tier 1: <i>Generic or Preferred Generic</i> | \$10.00 (\$30.00) | \$0 |
| Tier 2: <i>Preferred Brand</i> | 30% up to \$50.00 maximum out-of-pocket per prescription (30% up for \$150.00) | 20% up to a \$100.00 maximum out-of-pocket per prescription |
| Tier 3: <i>Non-Preferred Brand</i> | 50% up to \$50.00 maximum out-of-pocket per prescription (50% up for \$150.00) | 33% up to a \$100.00 maximum out-of-pocket per prescription |
| Tier 4: <i>Specialty</i> | 50% up to \$50.00 maximum out-of-pocket per prescription (N/A) | N/A – limited to a 30-day supply |
| Annual Maximum Out-of-Pocket (MOOP) | \$2,000 – After your out-of-pocket drug costs reach this total, Humana pays 100% of your total drug costs for the remainder of the plan year. | |

Humana Part D SmartSummary

- Humana's SmartSummary provides a comprehensive overview of your Part D benefits and prescription drug spending.
- You'll receive this statement after each month you've had a prescription claim processed.
 - Includes:
 - Numbers to watch – shows your total drug costs for the month and year-to-date.
 - Personalized messages – tips on saving money, information about changes in prescription copayments and how to plan ahead.
 - Prescription details

Medicare Part D & High Income

- Income-Related Monthly Adjustment Amount (IRMAA) is determined by Center for Medicare and Medicaid Services (CMS) and will be reported to you, if you must pay.
- The amount will be deducted from the Social Security Income (SSI) each month in addition to the premium you pay to Wellmark.
- If you decline the deduction for IRMAA, CMS will disenroll you from the ISU Humana Group PDP. This may create issues for regaining the coverage.
- 2025 Medicare Part D Premiums
 - <https://www.medicare.gov/basics/costs/medicare-costs>

*Separate premium from the ISU Wellmark premium

Medicare Part D & High Income

2025 Part D Income-Related Monthly Adjustment Amount (IRMAA)

| File Individual Tax Return | File Joint Tax Return | File Married & Separate Tax Return | Amount deducted from Social Security income <u>in addition</u> to the premium you pay to Wellmark |
|---|---------------------------------------|---------------------------------------|---|
| If your yearly adjusted income in 2023 was | | | |
| \$106,000 or less | \$212,000 or less | \$106,000 or less | \$0 |
| Above \$106,000 up to \$133,000 | Above \$212,000 up to \$266,000 | Not applicable | \$13.70 |
| Above \$133,000 up to \$167,000 | Above \$266,000 up to \$334,000 | Not applicable | \$35.30 |
| Above \$167,000 up to \$200,000 | Above \$334,000 up to \$400,000 | Not applicable | \$57.00 |
| Above \$200,000 & less than \$500,000 | Above \$400,000 & less than \$750,000 | Above \$106,000 & less than \$394,000 | \$78.60 |
| \$500,000 or above | \$750,000 or above | \$394,000 or above | \$85.80 |

Medicare Part D & Low-Income Subsidy

- Participants with low income may qualify for extra help from Medicare and the Part D cost may be reduced.
- Humana is informed by CMS and alerts ISU to adjust the Part D premium.
- ISU alerts Wellmark to reduce your premium for the subsidy amount reported to us by Humana.

ISU Retiree Association

Benefits of Membership:

- Representation with University
- Wellness & Health Education
- Memorial Day Ceremony
- 6 Programs a year & “Rock On” in Retirement (most offered as hybrid)
- 5 Newsletters
- Volunteering
- Social Activities
- No dues for ISU retirees & their spouses

Contact:

- alumni@iastate.edu
- 515-294-6525

Contact Us

**UHR Service Center &
Benefits Office**
3810 Beardshear Hall

benefits@iastate.edu

(515)-294-4800

| Benefits Consultant | Employees/Retirees Last Name Begins With: |
|---------------------|--|
| Jill Pretzer | A – D |
| Dawn Shedarowich | E – K |
| Teree Hungerford | L – R |
| Sarah Ford | S – Z |

<https://www.hr.iastate.edu/retiree-benefits>

***Appointments are required**