

# Important Information for TRICARE (Military Health Benefits) Beneficiaries Entitled to Medicare Based on Social Security Disability

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## Important Information for Individuals Representing Social Security Disability Applicants: Share This Information with Your Clients Who Are Entitled to TRICARE (Military Health Benefits)

### What is the relationship between TRICARE and Medicare?

**Medicare** is health insurance for people age 65 or older, under age 65 with certain disabilities, and any age with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant). The Centers for Medicare & Medicaid Services (CMS) is the Federal agency that administers Medicare. Two major parts of the program, Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) cover certain medical services and supplies in hospitals, doctors' offices, and other health care settings. For more information about Medicare, go to [www.medicare.gov](http://www.medicare.gov).

**TRICARE** is the Department of Defense's (DoD) health care plan for active duty, retired uniformed service members, and their families. For Medicare eligible individuals, TRICARE is designed to provide secondary or "wrap-around" coverage to Medicare. TRICARE provides comprehensive health care coverage, but only for those beneficiaries enrolled in Medicare Part B. For more information on TRICARE, go to [tricare.mil/mybenefit/](http://tricare.mil/mybenefit/).

### When does Medicare Part A and Part B begin for disabled TRICARE beneficiaries?

Most TRICARE beneficiaries are automatically enrolled in Medicare Part A and Part B effective with the 25<sup>th</sup> month of Social Security Disability benefit entitlement. They are notified of their Medicare entitlement three months before the 25<sup>th</sup> month of Social Security Disability benefit entitlement. They are also advised that they may decline Part B.

### When does Medicare Part A and Part B begin when the decision on a Social Security Disability appeal results in more than 24 months of retroactive entitlement?

In these cases, Medicare Part A is retroactive to the 25<sup>th</sup> month of Social Security Disability benefit entitlement and Part B is effective with the month the claim is processed. Beneficiaries are notified of the Medicare entitlement dates and advised that they can retroactively enroll in Part B back to the Part A effective date. They are also advised that they can decline Medicare Part B.

### What is the most important thing for TRICARE beneficiaries to remember about TRICARE and Medicare?

In order to remain eligible for TRICARE private sector care, individuals who are entitled to Medicare Part A based on Social Security Disability **MUST** enroll in Medicare Part B. Some exceptions are noted on the next page.

### What happens if TRICARE beneficiaries decline Medicare Part B?

TRICARE beneficiaries who decline Medicare Part B will be ineligible for TRICARE private sector care, including mail order and retail pharmacy coverage, as of the Medicare Part A entitlement date. Recovery of TRICARE payments will be initiated for claims paid for any period when the beneficiary had Part A only. In addition, these beneficiaries will be able to enroll in Part B from January 1 to March 31 of each year only. Coverage will be effective July 1 of that year, and beneficiaries will pay a higher premium. Some exceptions are noted on the next page.

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## Why do TRICARE beneficiaries have to enroll in Medicare Part B?

According to Section 704 of Public Law 102-190, TRICARE beneficiaries, who are under age 65 and entitled to Medicare Part A, must enroll in Medicare Part B to remain eligible for TRICARE private sector care. TRICARE eligibility is terminated for any month in which a beneficiary has Part A but not Part B.

## Are there any exceptions to the requirement to enroll in Medicare Part B?

Active duty service members who are entitled to Medicare Part A are not required to have Part B until they retire from active duty. Active duty family members who are entitled to Medicare Part A are not required to have Part B until their sponsor retires. When active duty service members retire from active duty, they, their spouses, and dependent children who are entitled to Medicare Part A can enroll in Part B during a special enrollment period. A special enrollment period is available anytime service members are on active duty or within the first eight months following their retirement. **However, to avoid a break in TRICARE private sector care coverage, beneficiaries must enroll in Part B before the service member's retirement date.**

## Do TRICARE beneficiaries who become entitled to Medicare based on receipt of Social Security Disability have to enroll in Medicare Part B retroactive to the Part A entitlement date?

No, but it may be advantageous for some TRICARE beneficiaries to enroll in Part B retroactive to the Part A entitlement date. If the beneficiary does not enroll in Part B retroactively, TRICARE coverage is terminated for the period in which the beneficiary has Medicare Part A but not Part B. In these cases, TRICARE would recover any payments made to health care

providers during the retroactive period and the beneficiary would have sole responsibility for paying those providers for any services received during the retroactive period.

To help determine if they should retroactively enroll in Medicare Part B, TRICARE beneficiaries should compare:

1. The total cost of Part B premiums back to the Part A date to
2. The total cost of care received—that is, billed charges—during the same retroactive period.

If Part B premiums are **less** than the total cost of health care received, it would be advantageous to retroactively enroll in Medicare Part B. This eliminates any TRICARE action to recover prior payments made to doctors for care when the beneficiary was not eligible. If Part B premiums are **more** than the total cost of health care received, then it would not be advantageous to retroactively enroll in Medicare Part B.

## Where can TRICARE beneficiaries get more information about how Medicare affects TRICARE?

TRICARE beneficiaries can visit [www.tricare.mil/factsheets/Medicare](http://www.tricare.mil/factsheets/Medicare) or call TRICARE for Life at Wisconsin Physicians Service (1-866-773-0404) to discuss how enrolling in Part B affects TRICARE benefits.