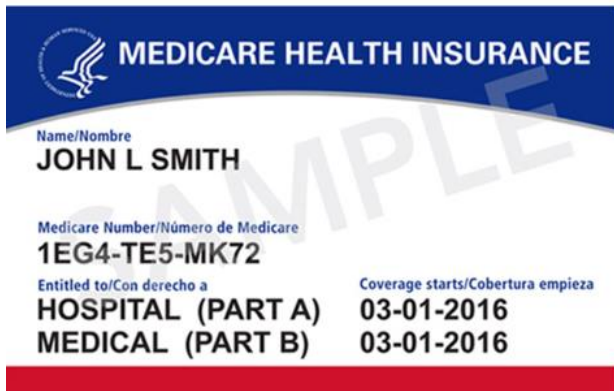


Medicare & Your Intel Group Health Plan Benefits

Becoming Medicare eligible while working or covered by employer group health plan (employer with 50+ employees).



Becoming Medicare Eligible - If you are reaching Medicare eligibility (typically age 65 or older/25 month of disability) you may have questions about what you need to do to ensure you have adequate health care coverage.

*You will receive your red, white, and blue Medicare card 90 days PRIOR to your 65th birthday or your 25th month of social security disability.

As an Intel employee, if you or your Medicare eligible dependent are enrolled in the Intel sponsored health plan for active employees (the Intel Group Health Plan), you can delay your Medicare Part B enrollment (OPT OUT) without a penalty.

Medicare After loss of Intel Group Health Plan coverage for active employees (e.g. upon retirement/termination of employment)

Please notify Medicare once you know your retirement/termination date. Upon your retirement/termination, your Intel Group Health Plan coverage will end with Intel (coverage typically ends the end of the month after retirement/term i.e. Date of Retirement 10/11 coverage ends 10/31).

Apply for Medicare - If you or one of your eligible dependents is Medicare eligible (typically age 65+/disabled) you may have waived enrollment while covered by the Intel Group Health Plan. Upon your retirement/termination your Medicare becomes primary so to maximize your health benefits (COBRA/IRMP) you need to enroll in Medicare PRIOR to your retirement/termination.

Please allow 30- 60 days prior to your retirement/termination to contact Medicare and ensure your Medicare (typically Part B) is effective immediately before or concurrent with your last day covered by the Intel Group Health Plan i.e. if you term/retire 12/15 your Intel active employee coverage continues until 12/31.

Once you notify Social Security of your request, they will require an **Employment Verification Form**, please contact the Intel Health Benefits Center at (877) GoMyBen (466-9236) for assistance completing the form.

Allow 5-10 business days for the form to be completed and returned or mailed.

Information about Medicare Special Enrollment Period (SEP)

You're under age 65 and disabled, and you or a family member is working, and you're covered by the Intel Group Health Plan based on your employment. You can sign up for Part B anytime while you're covered by an employer (or union) group health plan based on current employment, or for up to 8 months after the group health plan coverage or the employment ends, whichever happens first.

Note: If you have COBRA coverage or a retiree health plan, you don't have coverage based on current employment. You're not eligible for a Special Enrollment Period when that coverage ends.

General Medicare election/enrollment process

If you are collecting Social Security benefits, you will receive your red, white, and blue Medicare card 90 days PRIOR to your 65th birthday or your 25th month of disability. If you don't want Medicare, you must OPT OUT by contacting Medicare. You can return the card by following the instructions provided in your "Welcome to Medicare" packet. *If you do nothing you are automatically enrolled in Medicare Part A and B and your applicable Medicare monthly premiums will be deducted from your monthly Social Security benefit.*

If you are not collecting Social Security benefits, when you become eligible for Medicare (age 65/disability), you must actively enroll in Medicare Part A and B during the initial enrollment period (IEP) to obtain coverage. The IEP includes the 3 months prior to the individual's 65th birthday, the month of the 65th birthday, through 3 months past the 65th birthday. If an individual enrolls during the 3 months prior to his/her 65th birthday, the Part A coverage will become effective the month of his/her birthday.

For more information you can contact Medicare at 1-800-MEDICARE (1-800-633-4227) or www.medicare.gov

Medicare Part D (Prescription) Creditability

All Intel Group Health Plan options available for active employees are creditable to Medicare Part D.

Health Savings Accounts and Medicare

If you enroll in a High Deductible Health Plan and meet the other Health Savings Account ("HSA") eligibility requirements, you may establish an HSA to pay for eligible medical expenses. There are special rules that may impact you if you or one of your eligible dependents are enrolled in Medicare Part A or B. Below are a few FAQs to help explain your options:

Can I contribute to an HSA if I am also enrolled in Medicare Part A or B?

Eligibility for making HSA contributions ends starting the month the HSA owner becomes eligible for AND enrolls in either Medicare Part A or Part B. If not enrolled in Medicare, you may contribute to the HSA until the first month enrolled in Medicare. NOTE: Enrollment in Medicare Part A is automatic if person starts receiving Social Security benefits.

Also, if you decide to delay enrolling in Medicare, make sure to stop contributing to your HSA at least six months before you do plan to enroll in Medicare. This is because when you enroll in Medicare Part

A, you receive up to six months of retroactive coverage, not going back farther than your initial month of eligibility. If you do not stop HSA contributions at least six months before Medicare enrollment, you may incur a tax penalty.

If you have additional questions regarding Medicare eligibility and enrollment, please contact the Social Security Administration/CMS. If you have additional questions regarding an HSA, you should contact an HSA administrator and your tax advisor.

If my spouse is on Medicare, can I contribute to an HSA?

Yes. As long as you're not enrolled in Medicare and meet the HSA eligibility requirements, you can contribute to your HSA

What are the HSA rules for a dependent on an employee's HDHP and the dependent also enrolled in Medicare?

From an HSA contribution perspective, the employee can contribute up to the IRS statutory limits based on their enrollment tier in the HDHP. From an HSA distribution perspective, funds from the HSA can be used to cover qualified medical expenses for any tax dependent. There is no dependency on the type of medical coverage available to that dependent.

Where can I get more information about HSAs?

Please consult with your tax advisor or an HSA administrator. Also, IRS publication 502 (Medical and Dental Expenses) provides a list of qualified medical expenses. IRS publication 969 (Health Savings Accounts and Other Tax- Favored Health Plans) provides you information on the tax rules regarding qualifications, contributions, reporting and distributions. Form 8889 are the instructions you can use when filing your federal income taxes. Search Health Savings Account or the above publications at www.IRS.gov or www.treasury.gov for further information regarding your HSA.