



How the NYU Retiree Medical Plan Coordinates with Medicare Benefits

When you retire from NYU and enroll in the NYU Retiree Medical Plan, as soon as you and/or your covered dependent(s) become eligible for Medicare (usually at age 65), Medicare will be the primary plan (pays first) and the NYU Retiree Medical Plan will be the secondary plan. This means that the NYU plan will generally only pay your medical claims after Medicare has paid its benefit. If you and/or your covered dependent(s) are eligible but have not enrolled for Medicare or refused its coverage, the NYU plan still bases its payment on what Medicare would have paid on your behalf. This is why it is so important to enroll in Medicare benefits immediately upon eligibility.

The NYU Retiree Medical Plan is designed to supplement Medicare coverage. Keep in mind, however, that the NYU plan will not reimburse any amount that is denied by Medicare or that is outside of the Medicare limiting charge¹ for a particular medical procedure. The specific amount the plan pays depends on a number of factors as illustrated in the reimbursement examples shown below of how the NYU Retiree Medical Plan coordinates its payments with Medicare:

<p>1) Physician <u>accepts</u> Medicare assignment</p> <p>Physician’s regular charge: \$200 Medicare allowance:² \$150 Amount physician accepts: \$150</p> <p>NYU reimbursement amount: \$120 (\$150 x 80%) Less Medicare amount: \$120 (\$150 x 80%) Amount from NYU Plan: \$ 0 (\$120 - \$120) Total reimbursement from Medicare and NYU: \$120 Your out-of-pocket cost: \$ 30 (\$150 - \$120)</p>	<p>2) Physician <u>does not accept</u> Medicare assignment³</p> <p>Physician’s regular charge: \$200 Medicare allowance: \$150 Medicare limiting charge:¹ \$172.50 (Allowance plus 15% of allowance) [\$150 + (\$150 x 15%)] NYU reimbursement amount: \$138 (\$172.50 x 80%) Less Medicare amount: \$120 (\$150 x 80%) Amount from NYU Plan: \$ 18 (\$138 - \$120) Total reimbursement from Medicare and NYU: \$138 Your out-of-pocket cost: \$34.50 (\$172.50 - \$138)</p>
<p>3) Physician <u>accepts</u> Medicare assignment but you’ve reached the out-of-pocket limit of \$1,000³</p> <p>Physician’s regular charge: \$200 Medicare allowance: \$150 Amount physician accepts: \$150 100% of Medicare allowance: \$150 Less Medicare amount: \$120 (\$150 x 80%) Amount from NYU Plan: \$ 30 (\$150 - \$120) Total reimbursement from Medicare and NYU: \$150 Your out-of-pocket cost: \$ 0</p>	<p>4) Expense is covered by NYU Plan but not by Medicare^{3,4}</p> <p>Physician’s regular charge: \$200 NYU Allowance for R&C Charge: \$200 Amount payable from NYU Plan: \$160 (\$200 x 80%) Total reimbursement amount: \$160 Your out-of-pocket cost: \$40</p>

For more detailed information, see the [NYU Retiree Medical Plan Summary Plan Description \(SPD\)](#) pages 32 – 34.

¹ Medicare limiting charge: The Medicare limiting charge places restrictions on how much non-participating physicians, suppliers, or other persons are allowed to charge a Medicare patient if the provider of services does not accept the assignment. The limiting charge is 115% of the Medicare-approved charge.

² Medicare allowance: When Medicare assignment is accepted by a physician, he or she agrees to the Medicare-approved charge – or the Medicare allowance – as the full charge and bills the patient only the 20% coinsurance amount not paid by Medicare.

³ Assumes Medicare and NYU deductibles have been met. The NYU Plan’s deductible is \$200.

⁴ For example, acupuncture charges or services received outside the U.S.