Postal Service Health Benefits (PSHB): For Employees



The Postal Service Reform Act of 2022 (PSRA) was signed into law in April 2022. Since then, the Office of Personnel Management (OPM), in conjunction with the Postal Service, has been working to implement the new Postal Service Health Benefits (PSHB) Program, as required under the new law.

PSHB is a new, separate program within the Federal Employees Health Benefits (FEHB) Program and will be administered by OPM. Coverage under the PSHB Program will be effective January 1, 2025.

Enrolling in the PSHB Program

You are required to select a health insurance plan in the PSHB Program during the 2024 open season period, which will run from November 11, 2024, to December 9, 2024. If you do not actively select a PSHB plan, you will be automatically enrolled in a comparable PSHB plan.

PSHB plan options and premium information will be available in fall 2024. Information on how and where to enroll will be available as we approach the 2024 open season.

Integration With Medicare

You do not have to enroll in Medicare while you are employed with the Postal Service. The PSHB Program requires certain employees to enroll in Medicare Part B to continue PSHB coverage once they retire.

If you **become an annuitant on or before January 1, 2025,** you **ARE NOT** required to enroll in Medicare Part B to continue your PSHB coverage in retirement. In addition, if you are an **active employee age 64 or older as of January 1, 2025,** you ARE NOT required to enroll in Medicare Part B to continue PSHB health insurance coverage once you retire.

If you are an active employee under the age of 64 as of January 1, 2025, or if you retire after January 1, 2025, and you are under 64, you ARE generally required to enroll in Medicare Part B after you retire and become entitled to Medicare Part A, to continue your PSHB health insurance coverage in retirement. Individuals typically become eligible for Medicare at age 65. Exceptions to the enrollment requirement are discussed below.

Enrolling in Medicare

The Social Security Administration (SSA) will mail you a notice when you are eligible to enroll in Medicare Part B during your initial enrollment period.

Exceptions

There are exceptions to the requirement to enroll in Medicare Part B as an annuitant. These exceptions will also apply to your covered family member(s). Annuitants will be responsible for providing proof of eligibility for the applicable exception(s) to the designated agency. These exceptions are:

- You reside outside of the United States and its territories. You are required to follow the policy and procedure set forth by the Postal Service to be eligible for this exception; or
- You are enrolled in health care benefits provided by the Department of Veterans Affairs; or
- You are eligible for health services provided by the Indian Health Service.

PSHB and Covered Family Members

As a general rule, family member PSHB coverage is based on the primary enrollee's eligibility. If the primary enrollee is required to enroll in Medicare Part B, family members will also be required to enroll when they are eligible. If the primary enrollee is not required to enroll in Medicare Part B, neither will dependent family members.



Adding Value

Individuals are typically eligible to enroll in Medicare when they reach age 65. Medicare Part A covers inpatient hospital care and is premium-free for most people. Medicare Part B, which covers doctors' visits, lab tests, and other medically necessary services and supplies, requires a monthly premium to participate. If you are still an active employee when you reach age 65, you may postpone enrolling in Medicare Part B until you retire. Individuals who retire after age 65 will have an eight-month individual enrollment period that starts on the day you retire.

When you become eligible for Medicare, you may change your PSHB enrollment to another plan or option at any time beginning 30 days before becoming eligible for Medicare. Some plans may offer additional incentives, such as lower prescription-drug copays, for participants enrolled in Medicare. This may create an overall savings for your out-of-pocket health costs.

Additional Information

To learn more about Medicare and to enroll, visit **www.medicare.gov.**

For the latest information on the PHSB Program, email **retirementbenefits@usps.gov** or visit:

You can also receive information and updates by signing up for our text messaging notifications by texting "PSHBP" to **39369.**

PSHB and Medicare

A key feature of the PSHB Program is its integration with Medicare Part B for certain annuitants. Participating in Medicare allows annuitants to reap the benefits of the Medicare taxes they paid as employees. Integrating PSHB coverage with Medicare may reduce overall costs for health care expenses and provide greater value to annuitants.

Previously, the Postal Service paid employer taxes to fund Medicare each year but was unable to ensure its annuitant health care program fully utilized Medicare. Enabling the Postal Service to generally require its Medicare-eligible annuitants to enroll in Medicare when eligible ensures that the Postal Service can utilize Medicare in a similar manner as other employers, which strengthens its financial position and therefore its ability to continue its critical public service mission.

To learn more about Medicare, visit **www.medicare.gov.**

Medicare Help

State Health Insurance Assistance Programs (SHIPs) provide free in-depth and objective insurance counseling and assistance to Medicare-eligible individuals, their families, and caregivers.

Learn more at **shiphelp.org.**