

**U.S. Railroad Retirement Board**  
**RRB.gov**

# **MEDICARE**

**for Railroad Workers and Their Families**

***2025***



## **U.S. Railroad Retirement Board**

### **MISSION STATEMENT**

The Railroad Retirement Board's mission is to administer retirement/survivor and unemployment/sickness insurance benefit programs for railroad workers and their families under the Railroad Retirement Act and the Railroad Unemployment Insurance Act. These programs provide income protection during retirement and in the event of disability, death, or temporary unemployment and sickness. The Railroad Retirement Board also administers aspects of the Medicare program and has administrative responsibilities under the Social Security Act and the Internal Revenue Code.

In carrying out its mission, the Railroad Retirement Board will pay benefits to the right people, in the right amounts, in a timely manner, and will take appropriate action to safeguard our customers' trust funds. The Railroad Retirement Board will treat every person who comes into contact with the agency with courtesy and concern, and respond to all inquiries promptly, accurately and clearly.

# Why You Should Read This Booklet

The Medicare program covers railroad workers just like workers under social security. Railroad retirement payroll taxes include a Medicare hospital insurance tax just like social security payroll taxes.

Though you're paying into the Medicare program during your working years, and will probably rely on its services in the future, you may not know what benefits the program offers. The basic information in this booklet provides an overview of the Medicare program.

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More detailed information on Medicare's benefits, costs, and health service options is available from the Centers for Medicare & Medicaid Services (CMS) publication *Medicare & You*, which is mailed to Medicare beneficiary households each fall and to new beneficiaries when they become eligible for coverage. This and other publications are available online at **Medicare.gov** or by calling toll-free **1-800-MEDICARE (1-800-633-4227)**, **TTY/TDD 1-877-486-2048**.

***This booklet is for general information.  
It does not cover certain limitations,  
exceptions and special cases.***

# WHAT IS MEDICARE?

Medicare is our country's health insurance program for people age 65 or older, certain people with disabilities who are under age 65, and people of any age who have permanent kidney failure. It provides basic protection against the cost of health care, but it doesn't cover all medical expenses or the cost of most long-term care.

A portion of railroad retirement tier I and social security payroll taxes paid by employees and employers finances Medicare. It is also financed in part by monthly premiums paid by enrollees.

CMS is the agency in charge of the Medicare program. The Railroad Retirement Board (RRB) enrolls railroad retirement beneficiaries in the program, deducts Medicare premiums from monthly annuity payments, and assists in certain other ways.

## Medicare Includes

- **Hospital Insurance** (also called Medicare Part A), which helps pay for inpatient care in hospitals and skilled nursing facilities (following a hospital stay), some home health care services, and hospice care.
- **Medical Insurance** (also called Medicare Part B), which helps pay for doctors' services, and many other medical services and supplies that are not covered by hospital insurance. These include laboratory services, home health care services, outpatient hospital services, blood replacement, and preventive services, among others.
- **Medicare Advantage Plans** (also called Medicare Part C), as described in more detail on pages 11 and 12.
- **Prescription Drug Coverage** (also called Medicare Part D), as described in more detail on pages 13-15.

## A Word About Medicaid

You may think that Medicaid and Medicare are two different names for the same program. Actually, they are two different programs. Medicaid is a state-run program designed primarily to help those with low income and few resources. Each state has its own rules about who is eligible and what is covered under Medicaid. Some people qualify for both Medicare and Medicaid. For more information about the Medicaid program, contact your local medical assistance agency, social services, or welfare office.

## WHO CAN GET MEDICARE?

### Hospital Insurance (Part A)

**If you are age 65 or older.**--Most people age 65 or older who are citizens or permanent residents of the United States are eligible for free Medicare hospital insurance (Part A). You are eligible at age 65 if you receive or are eligible to receive a railroad retirement annuity or social security benefits. (Although the age requirements for some unreduced railroad retirement annuities have risen just like the social security requirements, individuals are still eligible for Medicare at age 65.)

**If you are under age 65.**--Before age 65, you are eligible for free Medicare hospital insurance if you have been entitled to monthly annuity payments based on total disability for at least 24 months and have a disability insured status under social security law. If you are entitled to monthly annuity payments based on occupational disability, **and** have been granted a disability freeze, you are eligible for Medicare starting with the 30th month after the freeze date or, if later, the 25th month after you became entitled to monthly payments. If you receive an annuity due to occupational disability and have **not** been granted a disability freeze, you are generally eligible for Medicare hospital insurance at age 65. (The standards for a disability freeze

determination follow social security law and are comparable to the medical criteria for granting total disability.) Those who have ALS (amyotrophic lateral sclerosis), also known as Lou Gehrig's disease, are not subject to a waiting period and are entitled to Medicare coverage the same month that their annuity begins.

**Eligibility for family members.--**Under certain conditions, your spouse, divorced spouse, surviving divorced spouse, widow(er), or a dependent parent may be eligible for Medicare hospital insurance based on your work record when they turn age 65.

Also, disabled widow(er)s under age 65, disabled surviving divorced spouses under age 65, and disabled children may be eligible for Medicare, usually after a 24-month waiting period.

**If you have permanent kidney failure.--**If you have permanent kidney failure, you are eligible for free Medicare hospital insurance at any age. This is true if you receive maintenance dialysis or a kidney transplant and you are eligible for or are receiving a railroad retirement annuity or social security benefits.

In addition, your spouse, divorced spouse or child may be eligible, based on your work record, if they have permanent kidney failure and receive maintenance dialysis or a kidney transplant.

## **Medical Insurance (Part B)**

Anyone eligible for free Medicare hospital insurance can enroll in Medicare medical insurance (Part B) by paying a monthly premium. The standard premium rate for new enrollees is \$185.00 in 2025. This is \$10.30 more than the 2024 premium amount.

Monthly premiums for some beneficiaries are greater, depending on their modified adjusted gross income. The income-related Part B premiums for 2025 are \$259.00, \$370.00, \$480.90, \$591.90, or \$628.90, depending on how

much a beneficiary's adjusted gross income exceeds \$106,000 (or \$212,000 for a married couple). Beneficiaries whose modified adjusted gross income exceeds \$500,000 (or \$750,000 for a married couple) pay the highest premium.

The Social Security Administration (SSA) is responsible for determining all income-related monthly adjustment amounts. To do this, SSA uses the most recent tax return information provided by the IRS. For 2025, in most cases that is the beneficiary's 2023 tax return. If that is not available, SSA uses information from the 2022 tax return.

## **HOW MUCH DOES MEDICARE COST?**

In addition to the monthly premiums you pay, there are other out-of-pocket costs for Medicare which may also change each year. These costs, known as *deductibles* and *coinsurance*, are the amounts you pay when you actually receive medical service.

For example, if you are hospitalized, you will be required to pay a deductible amount and you may have to pay coinsurance amounts, depending on how long you stay. In 2025, the hospital insurance deductible amount is \$1,676.

If you receive medical services from a doctor, you pay a yearly deductible amount as well as a coinsurance amount for each visit. In 2025, the medical insurance deductible is \$257. After meeting this amount, Medicare generally pays 80 percent of covered services for the rest of the year.

If you cannot afford to pay your Medicare premiums and other medical costs, states offer programs for low-income people who are entitled to Medicare. The state-run programs may pay some or all of Medicare's premiums and may also pay Medicare deductibles and coinsurance.

To qualify, you must have Medicare hospital insurance (Part A), a limited income, and, in most states, resources, such as bank accounts, stocks, and bonds, must not be more

than a certain amount. Income limits increase slightly each year and are higher in Alaska and Hawaii.

To find out if you qualify, contact your state medical assistance (Medicaid) office. You can get the number for your state by dialing 1-800-MEDICARE (1-800-633-4227) and asking for information about the Medicare Savings Program.

## **SIGNING UP FOR MEDICARE**

**If you are already getting a railroad retirement annuity** or social security benefits, you will receive information about the Medicare program a few months before you become eligible for coverage. At that time, you will automatically be enrolled in Medicare Parts A and B. However, because you must pay a premium for Part B coverage, you have the option of turning it down.

**If you are not already getting annuity or benefit payments**, you should contact your local RRB office about 3 months before your 65th birthday to enroll in Medicare. You can sign up for Medicare even if you don't plan to retire at age 65.

You should also contact your local RRB office about applying for Medicare if:

- you are a disabled widow(er) between age 50 and 65 but have not applied for an annuity because you are already getting another kind of benefit;
- you had Medicare medical insurance in the past but dropped the coverage; or
- you turned down Medicare medical insurance coverage when you became entitled to hospital insurance.

Medicare coverage at any age on the basis of permanent kidney failure requiring dialysis or receipt of a kidney transplant is also available to employee annuitants, employees who have not retired but meet certain minimum service requirements, spouses, and dependent children. SSA has jurisdiction of Medicare in these



cases; consequently, an SSA office should be contacted for information on coverage for kidney disease.

### **Initial Enrollment Period for Medical Insurance**

When you first become eligible for hospital insurance (Part A), you have a 7-month period to sign up for medical insurance (Part B). This is called your **Initial Enrollment Period**. A delay on your part may cause a delay in coverage **and** result in higher premiums. If you are eligible at age 65, your initial enrollment period begins 3 months before the month of your 65th birthday; includes the month you turn age 65; and ends 3 months after the month of your 65th birthday. If you are eligible for Medicare based on disability or permanent kidney failure, your initial enrollment period depends on the date your disability or treatment began.

**When does your enrollment in Part B become effective?** If you accept the automatic enrollment in Medicare Part B, or if you enroll in Medicare Part B during the first 3 months of your Initial Enrollment Period, your medical insurance will start with the month you are first eligible. If you enroll during the last 4 months, your coverage will start from the first day of the following month.

<i><b>If you enroll in this month of your initial enrollment period:</b></i>	<i><b>Then your Medicare Part B coverage starts:</b></i>
<b>1, 2, 3</b>	the month you become eligible for Medicare
<b>4, 5, 6, 7</b>	month after enrollment

### **General Enrollment Period for Medical Insurance**

If you do not enroll in Medicare Part B during your initial enrollment period, you have another chance during a **General Enrollment Period** from January 1 through March 31, with coverage effective the month after the month you enroll.

**However, your monthly premium increases 10 percent for each 12-month period you were eligible but did not enroll.**

## **Special Enrollment Period for People Covered Under a Group Health Plan**

If you are age 65 or older and covered under a group health plan, either from your own or your spouse's **current employment**, you have a **Special Enrollment Period** in which to sign up for Medicare Part B. This means that you may delay enrolling in Medicare Part B without having to wait for a General Enrollment Period and pay the 10 percent premium surcharge for late enrollment. The Special Enrollment Period rules allow you to:

- enroll in Medicare Part B anytime while you are covered under the group health plan based on current employment; or
- enroll in Medicare Part B during the 8-month period that begins the month after your group health coverage ends or employment ends, whichever comes first.

Special Enrollment Period rules do **not** apply if employment or employer-provided group health plan coverage ends during your initial enrollment period.

If you do not enroll by the end of the 8-month period, you will have to wait until the next General Enrollment Period, which begins January 1 of the next year.

People who receive disability annuities and are covered under a group health plan, from either their own or a family member's current employment, also have a Special Enrollment Period and premium rights that are similar to those for workers age 65 or older.

In addition, an individual may be eligible for a Special Enrollment Period if they missed an enrollment period

because of certain exceptional circumstances. More details can be found in the *Medicare & You* publication or on **Medicare.gov**.

## **Medigap**

Individuals deciding when to enroll in Medicare Part B must consider how this will affect eligibility for health insurance policies which supplement Medicare coverage. These policies are known as *Medigap* insurance. A Medigap policy is a health insurance policy, sold by private insurance companies, that helps pay some of the costs that the Original Medicare Plan doesn't cover.

An individual's enrollment in Medicare Part B at or after age 65 triggers a one-time *Medigap open enrollment period*. The open enrollment period lasts 6 months. During this period, an insurance company cannot deny insurance coverage, place conditions on a policy, or charge more for a policy because of past or present health problems.

Individuals age 65 or older with health coverage through an employer or union based on their or their spouse's current employment may want to wait to enroll in Medicare Part B and delay their Medigap open enrollment period.

More detailed information about Medigap policies and other supplemental health insurance plans is available in the publication *Medicare & You*. To obtain a copy, call the toll-free number 1-800-MEDICARE (1-800-633-4227) or go to **Medicare.gov** online.

## **IF YOU HAVE OTHER HEALTH INSURANCE**

As stated earlier, Medicare hospital insurance (Part A) is free for almost everyone, but you pay a monthly premium for Medicare medical insurance (Part B). If you already have other health insurance when you become eligible for Medicare, you should ask whether it is worth the monthly premium cost to sign up for Medicare Part B coverage.

## Private Insurance Plans

Contact your insurance agent to see how your private plan fits with Medicare Part B. This is especially important if the policy covers other family members. And just as Medicare does not cover all health services, most private plans do not either. In planning your health insurance coverage, also keep in mind that Medicare or private health insurance policies do not cover most nursing home care. One important word of caution: for your own protection, **do not cancel any health insurance you now have until your Medicare coverage actually begins.**

## Employer-Provided Group Health Plans

Group health plans for employers with 20 or more employees are required by law to offer workers and their spouses who are age 65 or older the same health benefits that are provided to younger employees.

If you currently have coverage under an employer-provided group health plan, you should talk to your human resources office before you sign up for Medicare Part B.

## Health Care Protection From Other Plans

If you have TRICARE coverage under a program from the Department of Defense, you must have Medicare Part B to keep this coverage. However, if you are an active-duty service member, or the spouse or dependent child of an active-duty service member, you may not have to get Medicare Part B right away. You can get Part B during a special enrollment period, and in most cases you won't pay a late enrollment penalty. Call the contractor that handles TRICARE claims at 1-866-773-0404 or a military health benefits advisor for information before you decide whether to enroll in Medicare Part B.

If you have health care protection from the Indian Health Service, Department of Veterans Affairs, or a state medical assistance program, contact those offices to get help on deciding whether it is to your advantage to have Medicare Part B coverage.

For more information on how other health insurance plans work with Medicare, visit **Medicare.gov** online or call 1-800-MEDICARE (1-800-633-4227).

## **OPTIONS FOR RECEIVING HEALTH CARE SERVICES**

Medicare beneficiaries have choices for receiving health care services. The **Original Medicare Plan** is the traditional fee-for-service Medicare plan that is available nationwide. A beneficiary can see any doctor or provider who accepts Medicare and is accepting new Medicare patients. Those enrolled in the Original Medicare Plan who want prescription drug coverage must join a Medicare Prescription Drug Plan as described on pages 13-15, unless they already have drug coverage from a current or former employer or union that is at least as good as the standard Medicare prescription drug coverage.

A beneficiary can choose a Medicare Advantage Plan (also called Medicare Part C) instead. These plans are managed by Medicare-approved private insurance companies. They combine Medicare Part A and Part B coverage, and are available in most areas of the country. A beneficiary must have both Medicare Part A and Part B, and live in the plan's service area, to join a Medicare Advantage Plan. Medicare Advantage Plan choices include regional preferred provider organizations (PPOs), health maintenance organizations (HMOs), private fee-for-service plans and others. A PPO is a plan under which a beneficiary uses doctors, hospitals, and providers belonging to a network; beneficiaries can use doctors, hospitals, and providers

outside the network for an additional cost. Under a Medicare Advantage Plan, a beneficiary may pay lower copayments and receive extra benefits. Most plans also include Medicare prescription drug coverage (Part D).

Beneficiaries can generally join or change plans once each year during an enrollment period from October 15 through December 7. Your Medicare Advantage Plan would then begin January 1 of the following year. Also, the monthly Part C premium can be deducted from railroad retirement annuities or social security benefits paid by the RRB if the beneficiary submits a request for withholding to his or her Part C plan.

You can obtain more information about your health care options from the publication *Medicare & You*. This general guide is mailed after enrollment in Medicare, with an updated version mailed annually thereafter.

To obtain a copy of any publication, call the Medicare toll-free number 1-800-MEDICARE (1-800-633-4227) or go to **Medicare.gov** online.

Some publications may instruct you to call or visit an SSA office for assistance. Railroad retirement beneficiaries should instead contact an RRB office.

## **MEDICAL INSURANCE CLAIMS**

Palmetto GBA, a subsidiary of Blue Cross and Blue Shield, processes medical insurance (Part B) claims for railroad retirement beneficiaries in the Original Medicare Plan. If you are in the Original Medicare Plan, your hospital, doctor, or other health care provider should submit Part B claims directly to:

**Palmetto GBA  
Railroad Medicare Part B Office  
P.O. Box 10066  
Augusta, GA 30999-0001**

If you have questions about Part B claims under the Original Medicare Plan, write to Palmetto GBA at the above address or call toll-free at 1-800-833-4455. Information is online at **[Palmettogba.com/palmetto/rrb.nsf](http://Palmettogba.com/palmetto/rrb.nsf)**.

For those in a Medicare Advantage Plan, information on out-of-pocket costs is available at **[Medicare.gov](http://Medicare.gov)** online or by calling 1-800-MEDICARE (1-800-633-4227).

## **PRESCRIPTION DRUG COVERAGE**

Medicare offers voluntary insurance coverage for prescription drugs (Part D) through Medicare prescription drug plans and other health plan options. While Medicare prescription drug plans vary, all drug plans offer coverage that, at the very least, meets a minimum standard of coverage as determined by Medicare. These drug plans work with all Medicare health plans, including the Original Medicare Plan and Medicare Advantage Plans.

To enroll, you must have Medicare Part A and live in the plan's service area. You will generally pay a monthly premium (averaging about \$36.78 in 2025) and an annual deductible (up to \$590 in 2025). You must also pay a share of your prescription drug costs. Costs vary depending on the drug plan you choose. If you have limited income and resources, you may qualify for extra help to cover your drug costs.

The Affordable Care Act requires some Part D beneficiaries to also pay a monthly adjustment amount, depending on a beneficiary's or married couple's modified adjusted gross income. The Part D income-related monthly adjustment amounts in 2025 are \$13.70, \$35.30, \$57.00, \$78.60, or \$85.80, depending on the extent to which an individual beneficiary's modified adjusted gross income exceeds \$106,000 (or \$212,000 for a married couple), with the highest amounts only paid by beneficiaries whose incomes are over \$500,000 (or \$750,000 for a married couple).

When you first become eligible for Medicare, you can enroll in a Medicare prescription drug plan during the period that starts 3 months before the month your Medicare coverage starts and ends 3 months after that month. **If you do not join a drug plan when you are first eligible, you may have to pay a higher premium if you choose to join later.**

A beneficiary can generally join or change plans once each year during an enrollment period from October 15 through December 7. Drug coverage would then begin January 1 of the following year. Also, the monthly Part D premium can be deducted from railroad retirement annuities or social security benefits paid by the RRB if the beneficiary submits a request for withholding to his or her Part D plan. The RRB also withholds Part D income-related adjustments from monthly annuity payments.



If you already have prescription drug coverage from other insurance, such as coverage provided by an employer or union, you can keep that coverage. If that coverage offers the same or better benefits than a Medicare prescription drug plan, you will **not** have to pay a higher premium if you join a Medicare prescription drug plan at a later date. In many cases, your other insurance provider will send you a notice that tells you if your plan covers as much or more than a Medicare prescription drug plan. If you do not receive a notice, you should check with your other provider to see how your coverage compares.

More information about Medicare prescription drug plans is available online at **Medicare.gov** or by calling 1-800-MEDICARE (1-800-633-4227).

### **Need More Information?**

Railroad retirement beneficiaries can visit the agency's website at **RRB.gov**, or the Medicare and Palmetto GBA information sources as described on the back cover and elsewhere in this booklet. They can also contact the RRB toll-free at 1-877-772-5772 for general information on their Medicare coverage.

## **NONDISCRIMINATION ON THE BASIS OF DISABILITY**

Under Section 504 of the Rehabilitation Act of 1973 and RRB regulations, no qualified person may be discriminated against on the basis of disability. The RRB's programs and activities must be accessible to all qualified applicants and beneficiaries, including those with impaired vision and/or hearing. Individuals with disabilities needing assistance (including auxiliary aids or program information in accessible formats should contact an RRB office. Complaints of alleged discrimination by the RRB on the basis of disability must be filed within 90 days in writing with the Office of Equal Opportunity, U.S. Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611-1275. Questions about individual rights under this regulation may be directed to the RRB's Director of Equal Opportunity at the same address.

## **FRAUD, WASTE, AND ABUSE HOTLINE**

1-800-772-4258

The RRB's Office of Inspector General (OIG) established its Hotline as a public service. The Hotline provides individuals with a means to report or discuss any suspected misconduct relating to the RRB, its programs, or employees.

If you believe a doctor, hospital, or other health care provider is billing Medicare for services not provided or for unnecessary medical procedures or supplies; someone is illegally receiving RRB benefits; or you wish to report or discuss any other suspected misconduct relating to the RRB, its programs, or employees, please contact the OIG at:

**Toll-Free Hotline:** 1-800-772-4258

**Mailing address:** RRB-OIG Hotline Officer  
844 North Rush Street, 4<sup>th</sup> Floor  
Chicago, Illinois 60611-1275

**Fax:** (312) 751-4342

**Email:** [hotline@oig.rrb.gov](mailto:hotline@oig.rrb.gov)

*Please review the RRB's email notice and Internet privacy policy at **RRB.gov** before submitting any information online.*

**Note:** Please do not contact the OIG's Hotline with questions regarding benefit eligibility requirements, delayed payments, or similar issues. These types of matters should be directed to any RRB field office.

**U.S. Railroad Retirement Board**  
**Toll-Free Service and Website**  
**1-877-772-5772**  
**RRB.gov**

The RRB's toll-free telephone service provides customers with easy access to agency representatives. In addition, through automated menus available 24 hours a day, you can find the address for the RRB office serving your area and listen to special announcements about the agency's benefit programs. You can also request a replacement Medicare card, a letter showing your current monthly benefit rate, a replacement tax statement for the most recently completed tax year, or a statement of creditable railroad service and compensation. Information on unemployment-sickness claims is also available.

Most of these services and others, including annuity estimates and online filing of unemployment applications and claims, as well as sickness claims, are available on the RRB's website. The website also offers access to agency publications and information about many topics of interest.

**Medicare Toll-Free Number and Website**  
**1-800-MEDICARE (1-800-633-4227)**  
**TTY/TDD 1-877-486-2048**  
**Medicare.gov**

To get help with your Medicare questions, you can call Medicare's toll-free number or look on the website.

**Palmetto GBA Toll-Free Number and Website**  
**1-800-833-4455**  
**TTY/TDD 1-877-566-3572**  
**Palmettogba.com/palmetto/rrb.nsf**

If you are in the Original Medicare Plan and have questions about Medicare medical insurance (Part B) claims, you can call Palmetto GBA's toll-free number or visit the website for help.

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**Chicago, Illinois 60611-1275**