FEDERAL EMPLOYEES HEALTH BENEFITS
2027 BLUE CROSS AND BLUE SHIELD FEDERAL EMPLOYEE PROGRAM

MEDICARE & BLUE DESIGNED FOR YOU

BlueCross BlueShield FEP Medical

fepblue.org

BLUE FOR EVERY YOU



Lourdes, 67 | Retired Division Director



Kay, 66 | Retired Accountant

Embrace your Medicare chapter

Whether you're entering retirement or already enjoying it, you can feel confident knowing you have coverage options to support your health and well-being. Along with Medicare, the Blue Cross and Blue Shield Federal Employee Program (FEP) offers plans that can provide you with extra benefits. This brochure will help you better understand Medicare and your choice of FEP plans to help you enjoy a healthier retirement.

Understanding Medicare

Medicare is health coverage available to U.S. citizens 65 or older and those with certain disabilities, kidney failure or ALS. As long as you've received Social Security at least four months prior to your 65th birthday, you'll **automatically be enrolled in Medicare** at 65.

Members in Puerto Rico or U.S. citizens living outside the U.S. will get Part A automatically, but will need to sign up for Part B.

Your Medicare options

There are four (4) parts of Medicare. Parts A and B make up Original Medicare.

Part A Hospital insurance	A	Covers inpatient hospital, skilled nursing facility, hospice and home healthcare. It's free as long as you've paid enough in Medicare taxes (this typically means you've worked for at least 10 years).
Part B Doctor's insurance	B	Covers care you receive from doctors, preventive services, outpatient care, home healthcare and durable medical equipment, such as walkers and wheelchairs. You pay a premium for Part B based on your income.
Part C Medicare Advantage	C	Covers care from a specific network of providers. With Medicare Advantage, you may need a referral to see a specialist, plans generally don't cover overseas care and out-of-network costs vary by plan.
Part D Prescription drug coverage	D	Helps you pay for prescription drugs. It's available as a stand-alone plan with an additional premium, or bundled with certain health plan options like FEP.

What you pay for Original Medicare (Parts A & B)

Part A out-of-pocket costs

For inpatient hospital care, you have a deductible to meet before Medicare will begin paying for its portion of the services. **The deductible in 2026 is $1,736**/benefit period per person. You'll also have copays for inpatient care under Part A.

Lifetime Reserve Days

Medicare covers up to 90 days of inpatient hospital care per benefit period. If you have a medical event where you need more than 90 days of hospital care, Medicare has lifetime reserve days. You get 60 reserve days during your lifetime.

Inpatient hospital care with Part A

Days 1–60	Days 61–90	Days 91–150	After day 150
$0 after you meet your deductible	**$434** each day	**$868** each lifetime reserve day (up to 60)	**All costs**

Part B out-of-pocket costs

For Medicare Part B in 2026, the standard **monthly premium is $202.90** and the **standard annual deductible is $283**. Your Part B premium may be higher based on your income because of the Income-Related Monthly Adjustment Amount (IRMAA). **Learn more about IRMAA on page 4**. You must meet the deductible before Medicare will begin paying for its portion of the services. You'll also pay **20% of Medicare's allowance** for covered services.

For more information about Medicare and to see 2027 costs, visit medicare.gov

What to know about enrollment

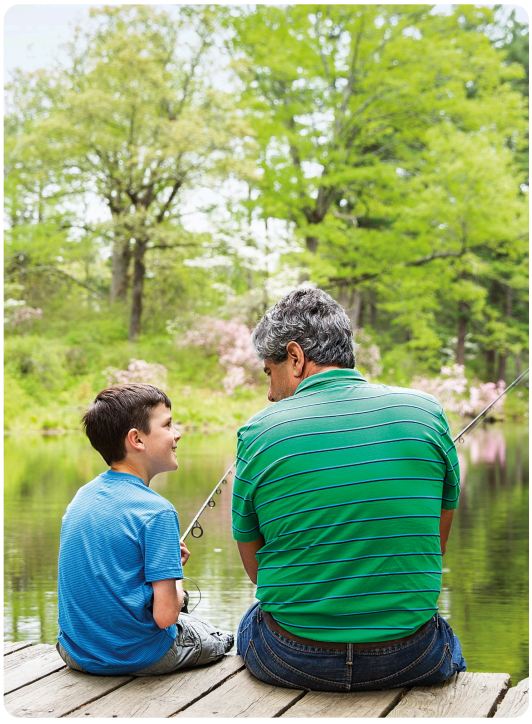
Part B enrollment

Are you or your spouse still working? If so, you could consider delaying your Part B enrollment. As long as you have group health insurance through your employer or your spouse's employer, that plan will remain as your primary coverage.

If you have FEP or another FEHB plan, we recommend keeping that coverage.

Enrollment penalties

If both you and your spouse are retired, delaying Part B can lead to a late enrollment penalty. The penalty is a **10%** premium increase for each year you delay your enrollment.





Why it's important to keep your FEHB coverage

Thanks to your service as a federal employee, you're able to receive additional benefits that come with an FEP plan when combined with Medicare.

You're eligible for these benefits as long as you've been enrolled in FEHB for **five continuous years** leading up to retirement.

Don't cancel your FEHB enrollment

If you cancel your FEHB plan, you'll never be able to re-enroll. So as long as you don't cancel your insurance, it will never go away and you can continue to enjoy the benefits throughout retirement.

? If you're interested in a non-FEHB Medicare Advantage Plan or TRICARE, your best option is to suspend your coverage.
That way, you'll be able to pick it back up at anytime.

Ensuring you're enrolled in FEP and Medicare

If you're currently enrolled in FEP and retired, once you enroll in Medicare A and B, you don't need to do anything else. For eligible plans, you'll also be automatically enrolled in the FEP Prescription Drug Program (MPDP) at no additional premium. This is a Medicare Part D plan designed exclusively for federal employees. It provides cost-friendly coverage for your prescriptions.

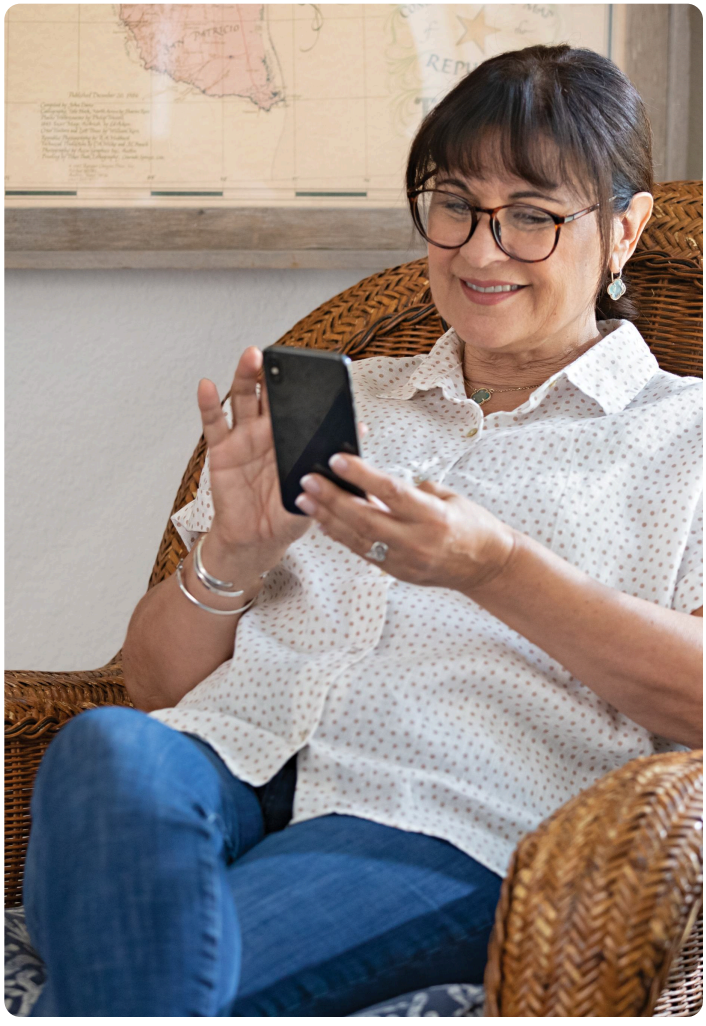
Keep in mind that if your needs change, you'll be able to switch plans **annually during Open Season**

- You'll also have the opportunity to make changes if you have a qualifying life event (QLE), such as marriage or divorce.
- OPM is your retirement office. Visit opm.gov/retire to learn more. If you're still working, you can reach out to your HR department for assistance.

Income-Related Monthly Adjustment Amount (IRMAA)

Depending on your income, you may need to pay an IRMAA to Social Security for Medicare Part B and Part D premiums. **It's good to note,** most FEP members will not meet the income threshold to pay an IRMAA.

Learn more about IRMAA at medicare.gov



How FEP brings you more

While Medicare offers a lot, it's good to know it doesn't cover everything. Things like prescriptions, dental, hearing aids and overseas coverage aren't included. The good news is when you **combine FEP Blue Standard or FEP Blue Basic with Medicare Parts A and B**, you unlock benefits friendly to both your budget and well-being.

Original Medicare
Parts A + B medical and hospital coverage

PLUS

FEP
Greater coverage, access and support

=

More complete retirement coverage

Benefits of combining Medicare & FEP

- **$0 out-of-pocket (OOP) medical expenses***
- **Global access to doctors and hospitals**
- **Prescription drug coverage**
- **Dental and hearing benefits**

Get more cost coverage

- Part B reimbursement with **FEP Blue Basic**
- Part D plan included for no additional premium

Receive greater access to care

- Get access to FEP's care network
- No need for referrals to receive care
- Out-of-network care with **FEP Blue Standard**

Enjoy flexible prescription coverage

- Access 65,000+ retail pharmacies nationwide
- Get a set OOP maximum on prescriptions

Access more support

- Enjoy $0 telehealth visits
- Access a 24/7 Nurse Line
- Receive wellness rewards and discounts
- Utilize our condition management programs



PLUS: You can continue to cover your eligible family members. You also stay in the same insurance group with active employees.

TIP: Bring both your Medicare and FEP member ID cards when you receive care.

**When Medicare Parts A and B are primary. Pharmacy cost shares may apply. Benefits are subject to change*

Choose the right FEP plan for your retirement needs

Whether you're a traveler, a hobbyist, family focused or all of the above, we offer coverage to fit every side of you. See which plans suits you when paired with Medicare Parts A and B.

Enhanced Coverage

FEP Blue Basic®

- ✓ Up to $800 back when you pay your Medicare Part B premium
- ✓ Enhanced prescription drug coverage, including access to Mail Service
- ✓ Access to a large network of providers

Most Coverage

FEP Blue Standard®

- ✓ The largest approved drug list (formulary) - good for those with complex drug needs
- ✓ Deductible-free when you combine with Original Medicare
- ✓ Access to a large network of providers, including providers outside of the network

Limited Benefits

FEP Blue Focus®

This plan provides limited coverage when combined with Medicare. You'll still need to pay your deductible and won't receive hearing aid benefits, dental coverage or the FEP Medicare Prescription Drug Program. We only recommend this plan if your healthcare needs are minimal and you want to stay enrolled in FEHB. You can always enroll in a higher level of coverage in a future Open Season if your needs change.

Because this has more limited benefits, the rest of this brochure will focus on **FEP Blue Basic** and **FEP Blue Standard**.



Medicare Reimbursement Account (MRA)

FEP Blue Basic members with Medicare Parts A and B are eligible for a Medicare Reimbursement Account which offers you up to $800 back. The deadline to submit 2026 claims is April 30, 2027. Learn more at **fepblue.org/mra**

Plans designed for you

Our FEP plans offer clear coverage at lower costs. So you'll always know what's covered and what you're paying.

★ With FEP coverage, **you'll usually only pay your FEP premium, your Medicare Part B premium and your pharmacy cost shares**.

	Medicare Part A and B only	FEP Blue Basic	FEP Blue Standard
Seeing a healthcare provider • Primary care doctor & mental health visits • Telehealth • Specialists & surgeons	**20%**[3]	**$0**	**$0**
Going to a site of care • Urgent care centers • Outpatient hospital • Emergency Room	**20%**[3]	**$0**	**$0**
Inpatient hospital	**$0** for up to 60 days after $1,736 deductible	**$0** up to 90 days + 60 lifetime reserve days	**$0**
Skilled nursing facility*	**$0** for up to 20 days	**$0** for 20 days covered by Medicare	**$0** for 10 additional days after the first 20 covered by Medicare
Acupuncture care	**20%**[3]	**$0** for up to 12 visits	**$0** for up to 24 visits
Chiropractic care	**20%**[3]	**$0** for up to 20 visits	**$0** for up to 12 visits
Physical therapy	**20%**[3]	**$0** for up to 50 visits	**$0** for up to 75 visits
Lab work and diagnostic services	**$0** for covered lab tests **20%** for diagnostic services[3]	**$0**	**$0**
Home healthcare	**$0**	**$0**	**$0**
Hearing aid benefits[1]	Not Covered	We pay up to **$2,500** every 5 years + you can combine with discounts available via Blue365®	We pay up to **$2,500** every 5 years + you can combine with discounts available via Blue365®
Durable medical equipment[2]	**20%**[3]	**$0**	**$0**

**When Medicare Part A pays first, you pay $0 for covered skilled nursing facility care for the first 30 days of each Medicare benefit period*
[1]Discounts available through Blue365. Dispensing fees, fittings, hearing aid batteries and repair services all count toward the $2,500 allowance
[2]Coinsurance with in-network providers
[3]A $283 Medicare Part B deductible applies.

FEHB Program monthly premiums and out-of-pocket maximums

	FEP Blue Basic	FEP Blue Standard
SELF ONLY	$315.17	$443.41
Enrollment code	**111**	**104**
SELF + ONE	$759.38	$974.76
Enrollment code	**113**	**106**
SELF & FAMILY	$839.67	$1,076.61
Enrollment code	**112**	**105**
Out-of-Pocket maximum (In-network providers)	**$8,500** for Self Only **$17,000** for Self + One and Self + Family	**$7,000** for Self Only **$14,000** for Self + One and Self + Family
Deductible	**No deductible**	**Waived** when paired with Medicare

Important terms you'll want to know

COINSURANCE: The percentage you pay for a covered service after we've paid our portion. Your provider will charge you this amount after you receive care.

COPAY: The set amount you pay for a service after receiving care.

OUT-OF-POCKET MAXIMUM: The most you'll pay out of your own pocket for care in one year. After you reach this amount, we pay for the rest.

DEDUCTIBLE: The set amount you pay before we start paying our portion of your service.

PREMIUM: The amount you pay to have health insurance coverage.

Get help finding the right plan

Use our AskBlue℠ FEP Medical Plan Finder to get a personalized recommendation. It's a simple online quiz that helps you find the right plan based on your needs. Get started at **askblue.fepblue.org**.

FEP Medicare Prescription Drug Program (MPDP)

Original Medicare alone does not cover prescriptions. When you keep your FEP coverage, you get Medicare Part D prescription drug benefits with **FEP Blue Basic** and **FEP Blue Standard**. **It's included for no additional premium.** Better yet, we'll automatically enroll you each year so it's one less thing to worry about.

How MPDP works for you

- You'll enjoy the **same FEP health plan benefits** you know and trust.
- You'll have a **larger approved drug list** than the traditional FEP pharmacy program.
- You'll **pay less out of pocket** for higher-cost drugs than the traditional FEP pharmacy program.
- You'll have peace of mind with a **$2,400 annual cap** on your out-of-pocket costs for covered Part D drugs.



Understanding MPDP drug tiers

With MPDP, you have four (4) drug tiers. Download the full MPDP drug list for our plans at **fepblue.org/medicarerx**.

Tier 1	Tier 2	Tier 3	Tier 4
Generics	Preferred brand name	Non-preferred brand name	Specialty drugs

A closer look at your pharmacy benefits for each tier with MPDP

	FEP Blue Basic	FEP Blue Standard
Retail Pharmacy (For a 30-day supply)	**Tier 1: $10** **Tier 2: $45** **Tier 3: 50%** **Tier 4: $75**	**Tier 1: $5** **Tier 2: $35** **Tier 3: 50%** **Tier 4: $60**
FEP Mail Service Pharmacy (For a 90-day supply)	**Tier 1: $15** **Tier 2: $95** **Tier 3: $175** **Tier 4: $200**	**Tier 1: $5** **Tier 2: $85** **Tier 3: $125** **Tier 4: $150**
Annual pharmacy out-of-pocket maximum	**$2,400 per member**	**$2,400 per member**

How the pharmacy out-of-pocket maximum helps you

When you combine FEP coverage with Medicare, your main out-of-pocket costs are usually prescription drug costs. With MPDP, your annual out-of-pocket costs for covered Part D drugs are capped at $2,400. After you reach the cap, **you pay $0 for covered Part D drugs for the rest of the year**.



Your MPDP enrollment, taken care of

As an added benefit for federal workers like you, we automatically enroll you in MPDP. So you don't have to worry about it. MPDP is open to any member who is living in the U.S. or a U.S. territory that's eligible for Medicare coverage.
If you are currently enrolled in MPDP, you can rest assured your enrollment will continue into next year—you don't need to do anything.

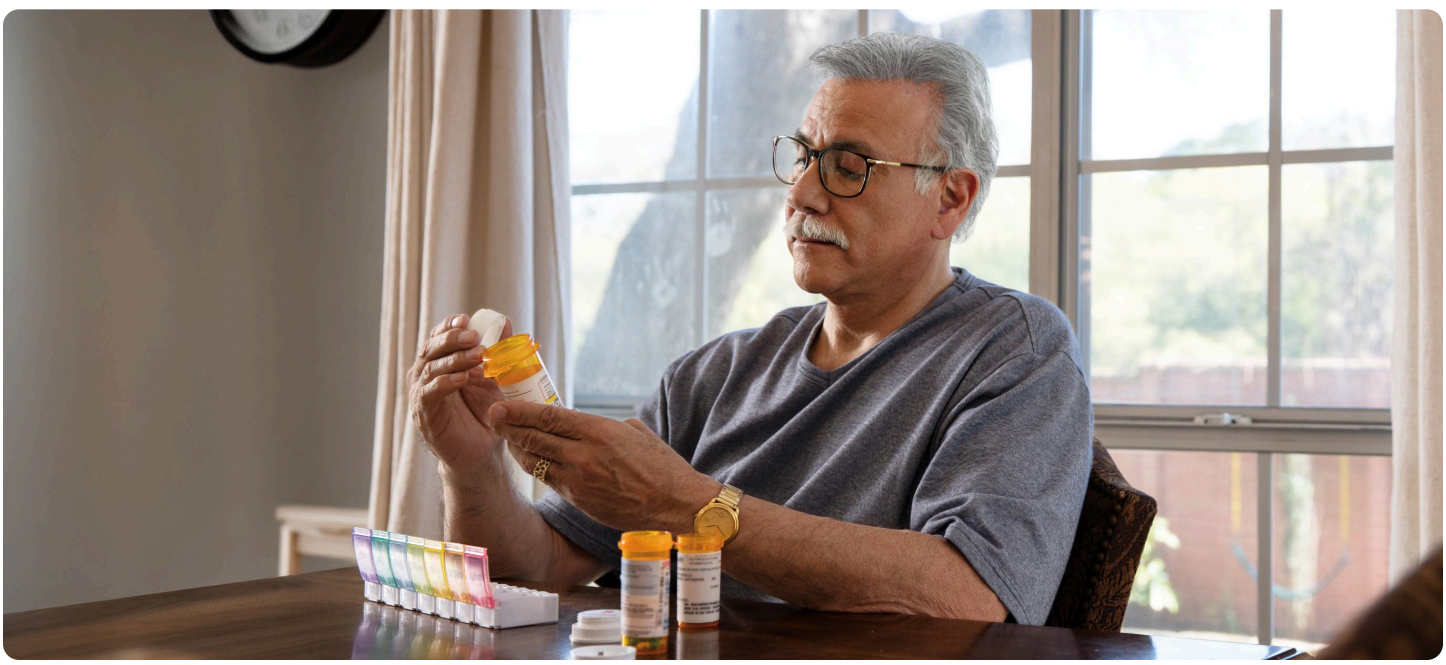
What to expect when you're eligible for MPDP

If you are eligible on or before October 1, 2026, you'll automatically be enrolled.

We'll send you a letter in **October 2026** describing our automatic enrollment process.

Look out for **a new member ID card** once your enrollment is confirmed.

If you want to enroll right when you are eligible and not wait until October, you can download the MPDP enrollment form at **fepblue.org/medicarerx** or call **1-888-338-7737** (TTY: 711).





What happens if I choose not to enroll in MPDP?

- FEP members can choose to opt out or disenroll from MPDP. If you do, you will be placed in the traditional FEP pharmacy benefit.
- Before you disenroll, we encourage you to review all the benefits of MPDP. We're also happy to chat with you about the benefits to help you determine if it's right for you.
- To chat with us about the benefit, call us at **1-888-338-7737** (TTY: 711).

NOTE: If you disenroll and decide you want to reenroll in MPDP later, you can reenroll once every benefit year.

See how the out-of-pocket maximum can work for you

Iwana, an FEP Blue Basic member who does not have MPDP.

Iwana takes three (3) generics $15 x 3 x 12 = $540	**Cost of generics** $540
Iwana takes three (3) Preferred brand name drugs $75 x 3 x 12 = $2,700	**Cost of Preferred brand name drugs** $2,700
Iwana takes two (2) specialty drugs $120 x 2 x 12 = $2,880	**Cost of specialty drugs** $2,880
Total out-of-pocket costs of retail pharmacy prescriptions for the year	**$6,120**

Iwana is enrolled in MPDP for 2027.

This includes the **$2,400 pharmacy out-of-pocket maximum.**
Here's how their out-of-pocket costs change:

Iwana takes three (3) generics $10 x 3 x 12 = $360	**Cost of generics** $360
Iwana takes three (3) Preferred brand name drugs $45 x 3 x 12 = $1,620	**Cost of Preferred brand name drugs** $1,620
Iwana takes two (2) specialty drugs $75 x 2 x 12 = $1,800	**Cost of specialty drugs** $1,800
Total out-of-pocket costs of retail pharmacy prescriptions for the year	**$2,400**



This means Iwana **will save $3,720 annually with the MPDP prescription benefit** compared to what they pay without it.

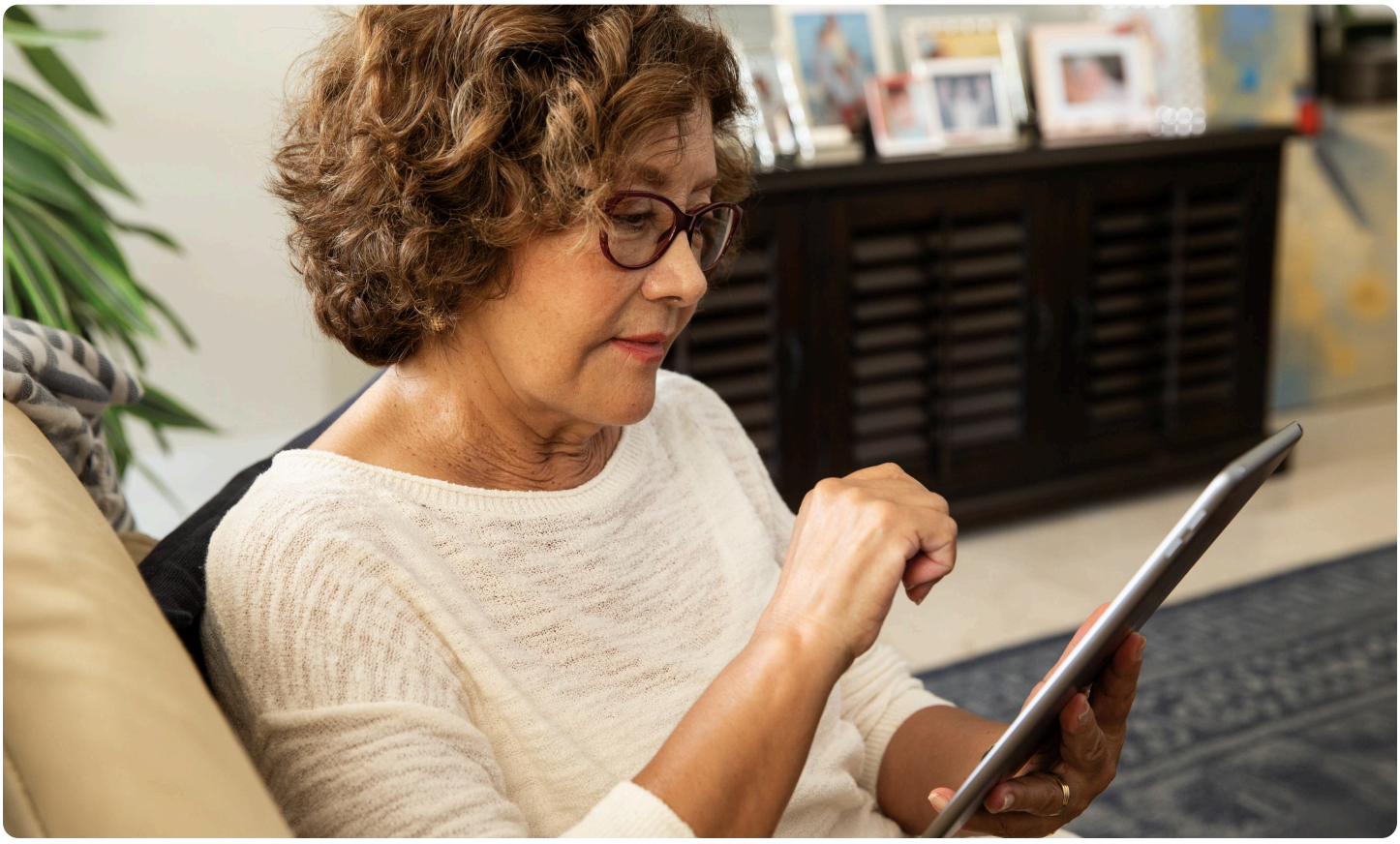
See what you'll pay with the FEP Prescription Drug Cost Tool

We have an easy-to-use tool where you can type in your specific prescription(s) and see what it will cost. You can also compare the cost to what you would pay under the traditional FEP pharmacy benefit.

To use the tool and download the full formulary for your plan, visit: **fepblue.org/rx**

Getting prescriptions is easy

You can order prescription refills at one of our **65,000+ in-network retail pharmacies** or through the **FEP Mail Service Pharmacy**.



Understanding your prescription drug coverage while overseas

Medicare is a health insurance program sponsored by the federal government for members in the U.S. **If you travel overseas, you cannot purchase drugs overseas using MPDP benefits.**

If you travel outside of the U.S. for an extended period, we recommend you stock up on a large supply of your medicine before you leave. If you're going to be gone longer than 90 days, call us at **1-888-338-7737** (TTY: 711) for assistance.

Get rewarded with the MyBlue® Wellness Card

Pay yourself back by earning rewards. Each time you complete an eligible activity, we load reward dollars onto your MyBlue Wellness Card. You'll receive a prepaid debit card in the mail that you can use to pay for certain medical expenses. **Funds never expire as long as you're a FEP member**.

Use your card to pay for things like:

- Prescriptions
- Glasses and contacts
- Hearing aids and supplies
- For the full list of qualified medical expenses, visit www.irs.gov/publications/p502.

Up to two people 18+ on your contract can spend **$150 each** on products available through Blue365. Scan the QR code or visit blue365deals.com/fep to learn more.

Your wellness rewards

Ways to earn rewards	FEP Blue Basic	FEP Blue Standard
Medicare Reimbursement Account Get up to $800 back per family member when you pay your Medicare Part B premium. You'll receive funds via check or direct deposit.	Earn up to **$1,600**	
The Blue Health Assessment Take a quick 10-12 minute quiz and earn up to $50 per family member (up to two people 18+).	Earn up to **$100**	Earn up to **$100**
Daily Habits Meet goals related to nutrition, weight loss, stress and more. For a list of eligible activities, visit fepblue.org/dailyhabits.	Earn up to **$240**	Earn up to **$240**
Get Paperless EOBs Receive your Explanation of Benefits (EOB) electronically.	Earn **$10**	Earn **$10**
Potential Total Earned Per Family	**$1,950**	**$350**

Earn rewards for taking charge of your health at fepblue.org/incentives.

You must be the contract holder or spouse, 18 years of age or older, to earn incentive rewards.

Explore even more wellness programs to help you feel your best

	FEP Blue Basic	FEP Blue Standard
Weight Management Program Eligible members* can get a free digital scale and wellness coaching.	✓	✓
Hypertension Management Program Eligible members can get a blood pressure monitor every two years.	✓	✓
Tobacco Cessation Incentive Program Eligible members can get prescription drugs to help you quit smoking or vaping at no cost.	✓	✓
Blue365 Enjoy access to discounts on gym memberships, fresh meal kits, travel and more. Learn more below.	✓	✓
Diabetes Management Program Get an advanced digital glucose meter, test strips, support and more.	✓	✓

Savings from over 90 national brands, like:

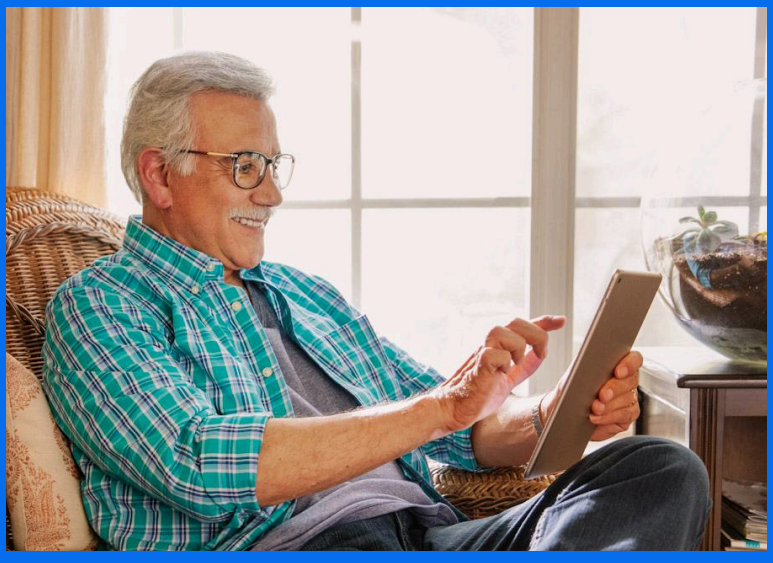
BlueCross BlueShield
Blue365
TruHearing
BIRDSONG HEARING BENEFITS
fitness your way by Tivity Health
ŌURA
GARMIN
HOME CHEF
Hertz
SKECHERS
chewy

**To be eligible, you must have a pediatric pharmacy or medical claim in the 85th percentile or higher within the last three years or an adult pharmacy or medical claim with a BMI of 25 or higher within the last three years. Members living overseas must have a valid APO, DPO or FPO address. You do not have to have diabetes to participate.*

Need help understanding which plan is right for you?

FEP Blue Standard

Both **FEP Blue Standard** and **FEP Blue Basic** offer great advantages. But if you take many **brand name and/or specialty drugs**, **FEP Blue Standard** may be the better fit—just like it is for Jorge.



Jorge, 68 | Retired Operations Officer

Why FEP Blue Standard works well for Jorge

Jorge, 68, has Medicare Parts A and B primary. He sees a cardiologist and a rheumatologist several times a year, travels to visit family and takes Preferred brand name drugs, plus one specialty drug.

- We waive the deductible for **FEP Blue Standard** with Medicare primary.
  Jorge pays $0 out-of-pocket for covered doctor's visits, labs and hospital care.
- With the largest formulary and MPDP, Jorge gets comprehensive drug coverage and lower-cost shares on higher-cost medications. Annual Part D drug costs are capped at $2,400.
  Jorge never pays more than $2,400/yr for his Part D drugs.

"I take multiple brand name and specialty medications."

Jorge knows what he'll spend each year, even with frequent doctor visits and complex prescription needs.

- The Hypertension Management Program helps Jorge manage his blood pressure at home and he can share his readings with his cardiologist during visits.
  The program is free, and he visits his cardiologist at $0 out-of-pocket cost.
- When Jorge travels, he has peace of mind knowing he has no-cost telehealth services and can even go see an **in or out-of-network provider for $0** with **FEP Blue Standard**.

FEP Blue Basic

With an **$800 reimbursement** for your Medicare Part B premium and broad drug coverage, **FEP Blue Basic** may be the better fit—just like it is for Jamie.



Jamie, 66 | Retired Logistics Specialist

Why FEP Blue Basic works well for Jamie

Jamie, 66, has Medicare Parts A and B primary. She gets annual physicals and lab work, plus two generic drugs delivered to her home. She also completes all of her annual FEP incentive programs to get the most out of her plan.

- There is no deductible for **FEP Blue Basic** members. **So Jamie feels reassured she'll pay nothing out-of-pocket for covered medical services.**
- Jamie's able to relax at home enjoying the conveniences of the **FEP Mail Service Pharmacy that delivers her generic prescriptions to her**—and she only pays $30 every 90 days.

"I see my doctor mostly for checkups and get two generic medications by mail."

Jamie lowers her overall cost by using all the incentives available to her as an FEP Blue Basic member.

- Jamie's savvy and knows she can **lower her overall cost of coverage with the Medicare Reimbursement Account (MRA)**. FEP will reimburse her up to $800 per year for paying her Medicare Part B premiums.
- By completing the Blue Health Assessment and Daily Habits goals, **Jamie earns $170**. She uses these rewards and incentives to help reduce overall healthcare costs. **Since she only pays $120 for her prescriptions, she can cover those in full** with a little extra to spend on over-the-counter medications or other wellness needs throughout the year.



Carol, 72 | Retired Civil Engineer

BLUE FOR EVERY YOU

Have questions about your benefits, claims, or coverage? Talk to Skye.

Skye is our AI-powered virtual assistant, available 24/7 to help answer your questions. Call **800-411-BLUE (2583)**.

Prefer to speak with a live agent? Our live agents are available weekdays, 8 a.m.–8 p.m. ET, excluding holidays.

Explore the interactive version of this booklet and others online at **fepblue.org/flipbooks**.

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GET IT ON Google Play

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This is a summary of the features of the Blue Cross and Blue Shield Service Benefit Plan. Before making a final decision, please read the Plan's Federal brochures (FEP Blue Standard and FEP Blue Basic: RI 71-005; FEP Blue Focus: RI 71-017). All benefits are subject to the definitions, limitations, and exclusions set forth in the Federal brochures.

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