

# **NASSAU COUNTY NEW YORK**

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## **Review of Nassau County Retiree Medicare Reimbursements June 15, 2026**



**Elaine Phillips  
Nassau County Comptroller**

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## Background

Nassau County is obligated to reimburse eligible retirees for Medicare Part B premiums because the County participates in the New York State Health Insurance Program (NYSHIP), which mandates that public employers reimburse retirees and their spouses for these costs once they become Medicare-primary. In addition, Nassau County has a contractual obligation as described in numerous collective bargaining agreements. Employees typically become Medicare-primary upon retirement at age 65+, at which point Medicare becomes the "payer" that processes their medical claims first, paying up to its coverage limits before any other insurance (secondary) covers remaining costs.

Nassau County currently provides benefits for approximately 10,240 retirees and 3,690 retiree dependents. This includes 171 people who retired from Nassau University Medical Center before it was transferred to Nassau Health Care Corp. in 1999.

While the number of people receiving Medicare Reimbursements from Nassau County has decreased and leveled off, the dollar value of these health benefits has increased by 61 percent since 2017. This is a result of the growing cost of healthcare premiums nationwide. (See charts on page 2)

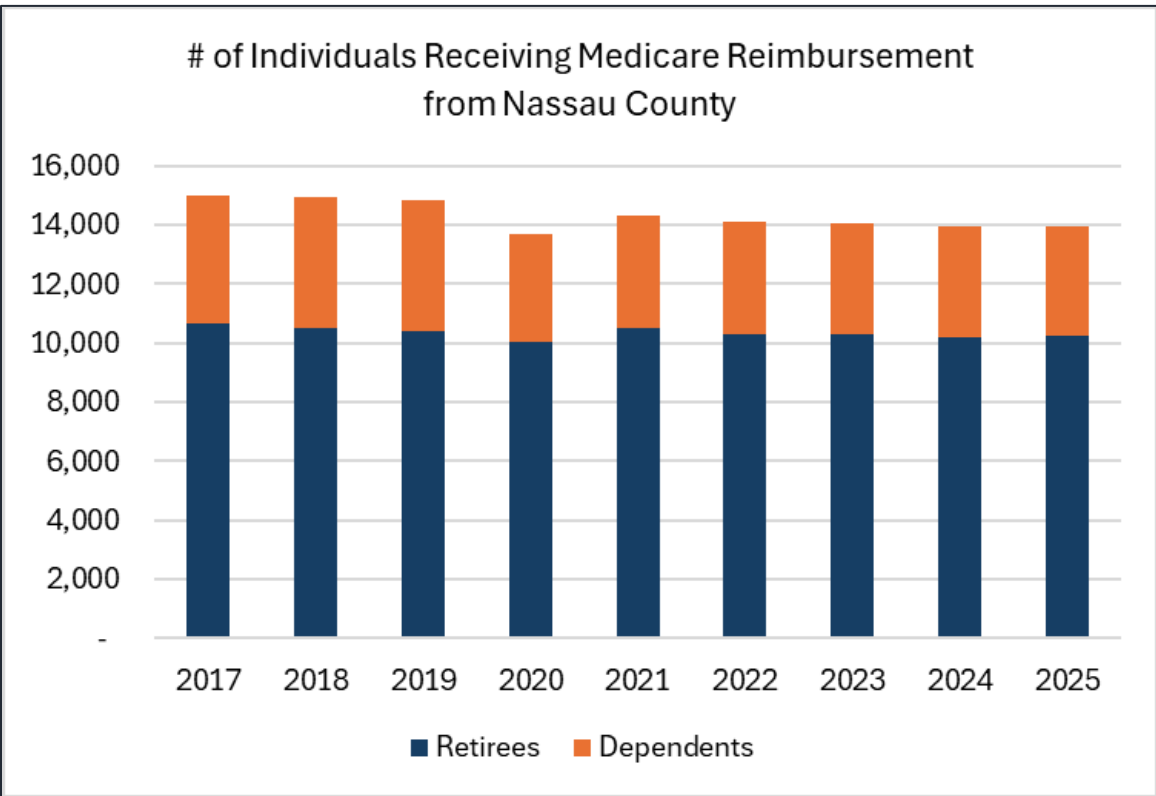
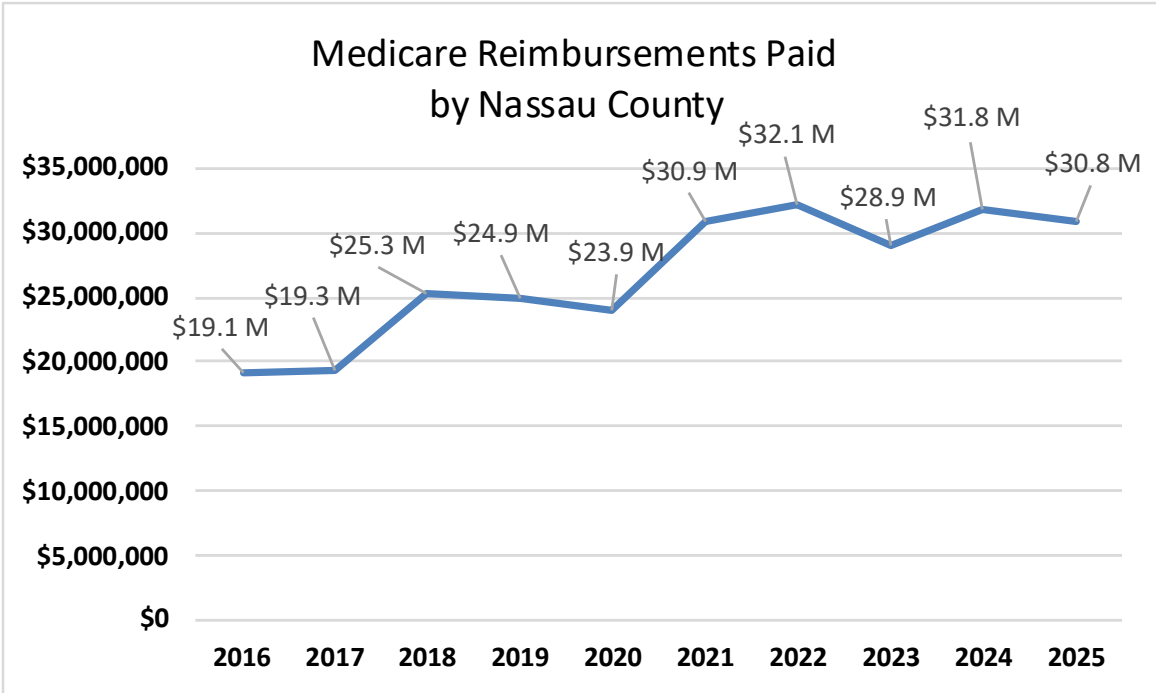
In October 2025, the issue of retirees and/or their spouses receiving duplicate Medicare Reimbursement checks came to the attention of staff and leadership in the Comptroller's Payroll and Health Benefits Division. An audit was immediately launched.

The audit reviewed Medicare Part B reimbursement payments made to County retirees from their retirement date, as far back as 2002, through December 2025.

Nassau County's criteria for Reimbursement of Medicare Part B premiums are:

- Nassau County retiree is 65 years old or older and/or is eligible for Medicare due to a disability approved by the Social Security Administration (SSA Disability), and
- The retiree is not getting reimbursed from any other source.
- When a retired Nassau County employee has a dependent/spouse on his or her health insurance plan, the County will also reimburse the dependent/spouse for their Medicare Part B premium once they achieve 65 years of age or become eligible for Medicare due to SSA Disability, as long as the dependent is not receiving reimbursement from another source.

**Medicare Part B** is the medical insurance component of Medicare that covers outpatient care, doctor visits, preventive services, and durable medical equipment. The standard monthly premium for 2026 is \$202.90 and it generally covers 80% of approved costs after a yearly deductible, with the beneficiary paying the remaining 20%.



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## Conditions of Nassau County's Reimbursement of Medicare Part B Premiums

- **No Double Dipping:** Reimbursement of Medicare Part B premiums is contingent on the retiree and/or dependent *not* receiving reimbursement from another source **or** that the retiree/dependent's Medicare premium is *not* being paid by another entity on their behalf. Recipients of Medicare Part B Reimbursement are not eligible to receive total reimbursements exceeding the cost of their Part B premiums. If they have/had coverage through two or more employers that offer reimbursement, it is incumbent on the retiree to coordinate benefits to ensure they are not over-reimbursed.
- **Reimbursement Structure:** The reimbursement is typically processed twice a year, in June and December.

Nassau County and its labor unions have agreed on post-employment benefits that include Medicare Reimbursement for life for eligible retirees. But the State and the County are both very clear: the retiree, and any eligible dependents, will be reimbursed for Medicare Part B premiums *unless they are receiving reimbursement from another source.*<sup>1</sup>

Nassau County ensures that government retirees are consistently informed of Medicare reimbursement guidelines through multiple formal communication channels. These processes are designed to provide clear guidance at the point of retirement and reinforce eligibility requirements on an ongoing basis.

The County utilizes the following methods to ensure retirees are aware of the regulations:

### **Retirement Notification Materials**

At the time of retirement, a letter and required affidavit(s) are mailed to the retiree. These documents outline Medicare reimbursement requirements, and all parties (retiree, spouse/dependent) must complete and return the affidavit(s) to establish eligibility. (See Appendix A)

### **Medicare Information Booklet**

Upon retirement, a Medicare booklet published by New York State Civil Service is ordered and mailed directly to the retiree. This booklet provides detailed information regarding Medicare benefits and reimbursement guidelines.

<https://www.cs.ny.gov/employee-benefits/hba/shared/publications/medicare/2022/pa-medicare-nyship-2022.pdf>

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<sup>1</sup> <https://www.cs.ny.gov/employee-benefits/nyship/shared/publications/medicare/2016/ny-pe-medicare-nyship-2016.pdf>

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### **Reimbursement Check Endorsement Language**

The reverse side of all Medicare reimbursement checks includes endorsement language that reiterates eligibility criteria. This serves as an ongoing reminder to retirees of the requirements associated with receiving reimbursement. (See Appendix B)

Collectively, these communication methods ensure that retirees are informed of Medicare reimbursement requirements at initial eligibility and are periodically reminded thereafter.

### **Goal**

The goal of this review was to identify and rectify any improper or duplicate reimbursements for Medicare Part B premiums to County retirees for their eligible dependents and recover funds to the extent possible.

### **Objectives**

The objectives of this review were to:

1. Identify retirees who were receiving duplicate Medicare reimbursement payments.
2. Determine the extent of improper or duplicate reimbursements issued.
3. Calculate the total amount paid to ineligible recipients.
4. Discontinue Medicare reimbursements for individuals determined to be ineligible.
5. Initiate and track efforts to recover payments where applicable.

Duplicate payments typically occur when a spouse/dependent of a County retiree is also eligible for Medicare Reimbursement from their former employer.

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## Results

The Payroll and Health Benefits Division did the following:

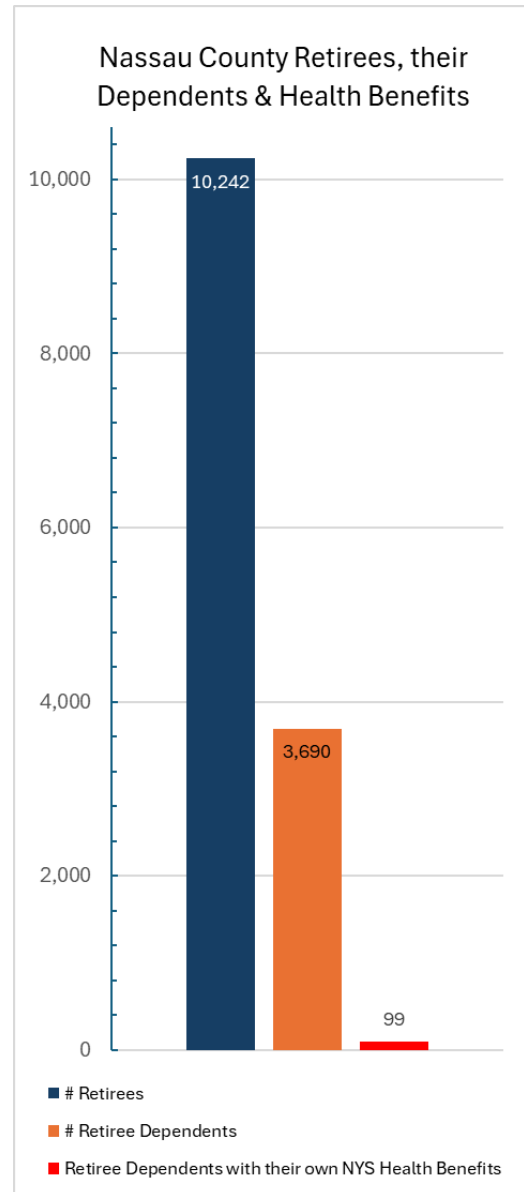
- Reviewed the health benefits records of the approximately 10,240 living Nassau County retirees who are currently receiving benefits;
- Identified 6,481 retirees who have dependents included on their County health benefits plan;
- Eliminated from the audit 2,791 retirees and their dependents who were not yet eligible for Medicare (typically younger than 65);
- Focused on the 3,690 retirees for whom the County was issuing Medicare Reimbursement checks for their spouses/dependents; and
- Determined that 99 of those dependents also had retiree health benefits policies of their own through another municipal employer.

In December 2025, the Payroll and Health Benefits Division contacted the 99 County retirees or the benefits administrator for their dependents' former employers to confirm whether the dependents were being reimbursed for Medicare Part B by their former employers.

Follow-up letters were sent to these 99 County retirees reminding them that their spouses/dependents cannot collect Medicare reimbursement from both Nassau County and from their own former employer. The Payroll and Health Benefits Division put a hold on Medicare Reimbursement payments for the dependents of these retirees, pending further review.

Among the 99, it was confirmed that 5 spouses were not receiving reimbursement from their former employers. Another 39 retirees responded and confirmed that their dependents received duplicate reimbursements.

Another letter was sent to the remaining 55 retirees to inform them of the duplicate payments and the amount that the County required them to repay. In cases where the retirees do not have the means to repay the debt, the Comptroller's Office will arrange a repayment plan with them on a case-by-case basis.



The hold on Medicare Reimbursement payments for anyone who was overpaid remains in place pending resolution of the double payment issue. The reimbursement will not be reinstated until the situation has been rectified and any inappropriate payments have been repaid.

| Cost to Nassau County<br>Double Dipping on Medicare Premium Reimbursements              |                  |                       |
|---|------------------|-----------------------|
|   | # of Individuals | \$ Amount             |
| <b>Total Suspected of Double Dipping</b>  | <b>99</b>        | <b>\$1,623,111.02</b> |
| Minus Spouses/Dependents Who their Waived Right to Reimbursement from Previous Employer | -1               |                       |
| Minus Retirees Not Reimbursed by Spouses' Primary Source                                | -4               | \$116,014.05          |
| <b>Total Confirmed Double Dipping</b>   | <b>94</b>        |                       |
| Confirmed Retirees Double Dipping who have made or are making restitution               | 39               | \$481,368.20          |
| Double Dippers from whom the County is Awaiting a Response                              | 55               | \$1,025,728.77        |
| <b>Total Recovered to Date*</b>   |                  | <b>\$258,172.30</b>   |
| <b>Balance Outstanding</b>  |                  | <b>\$1,364,938.72</b> |
|   |                  | *June 1, 2026         |

### Next Steps: Prevention

In order to ensure this problem – which was occurring for two decades or more – will not occur again, the Comptroller’s Office has instituted and strengthened safeguards. Going forward, the Payroll & Health Benefits Division will verify eligibility of retirees’ dependents for Nassau County benefits *before* commencing payments. Regular audits of retirees and their dependents eligibility will also be conducted to ensure compliance with New York State Health Insurance Program (NYSHIP) and County regulations.

In addition, the County will continue:

- Ongoing verification of spouse/dependents’ eligibility for Medicare Reimbursement through another municipal employer
- Requiring a signed affidavit upon retirement
- Providing Medicare reimbursement Guideline booklets upon retirement.
- The reverse side of all Medicare reimbursement checks includes endorsement language that reiterates eligibility criteria. This serves as an ongoing reminder to retirees of the requirements associated with receiving reimbursement. (See Appendix B)

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## **Conclusion**

Life expectancy continues to rise, and two-income families are common. As a result, it is increasingly common for retirees to draw from multiple retirement systems or benefit sources. This shift has created new challenges for benefits administration.

Preventing the improper “double dipping” of health benefits can be complex, particularly given the coordination required across multiple plans, carriers, and eligibility systems. While it is not always possible to identify or stop every instance in real time, Nassau County is firmly committed to safeguarding the integrity of its benefits program and will take all reasonable and lawful steps to prevent duplicate coverage and payments. This includes strengthening verification processes, enhancing oversight, and working closely with our partners to identify and address potential issues.

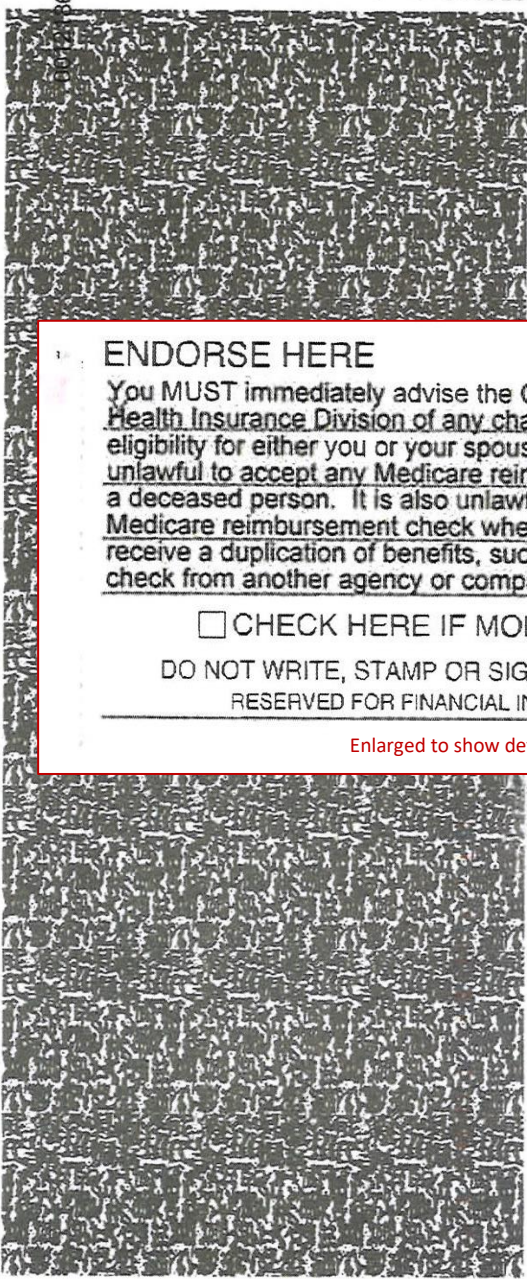
While precise data on retirees drawing retirement benefits from two plans is limited, the subset of retirees in which both individuals receive employer-sponsored Medicare premium reimbursement is small, as reflected in the chart on page 5. This audit by the Office of the Nassau County Comptroller is serving as the launch of the County’s efforts to improve management of post-employment benefits brought about by the growing prevalence of dual-career households over time.



# APPENDIX B

## Appendix B: Back of Medicare Reimbursement Check

REMOVE SIDE EDGES FIRST  
THEN FOLD AND TEAR THIS STUB ALONG PERFORATION



**ENDORSE HERE**  
 You MUST immediately advise the County Comptrollers' Health Insurance Division of any change in Medicare eligibility for either you or your spouse. It is unlawful to accept any Medicare reimbursement check for a deceased person. It is also unlawful to accept a Medicare reimbursement check where you or your spouse receive a duplication of benefits, such as a reimbursement check from another agency or company. MP

CHECK HERE IF MOBILE DEPOSIT

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
RESERVED FOR FINANCIAL INSTITUTION USE

**ENDORSE HERE**  
 You MUST immediately advise the County Comptrollers' Health Insurance Division of any change in Medicare eligibility for either you or your spouse. It is unlawful to accept any Medicare reimbursement check for a deceased person. It is also unlawful to accept a Medicare reimbursement check where you or your spouse receive a duplication of benefits, such as a reimbursement check from another agency or company. MP

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DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
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Enlarged to show detail

Heat sensitive pink flag disappears when exposed to heat, by rubbing or touching with thumb.

**The security features listed below, as well as those not listed, exceed industry guidelines.**

| Security Features    | Description  |
|----------------------|--|
| Colored Background   | • Face of check has a colored background.  |
| Microprinting "MP"   | • Small type appears as dotted line when photocopied.  |
| Artificial Watermark | • Invisible watermark on back of check will appear when rubbed with a coin, under ultraviolet light or hold at an angle to view. |
| Bottom Warning Band  | • Warning band at bottom of check lists security features.   |
| Thermochromic Ink    | • Pink flag on back of check should disappear when rubbed with thumb or finger.  |

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