

Medicare – Ask an Expert

I was just notified that my retiree health coverage is going to end at the end of the year. What should I do?

More companies each year choose to eliminate retiree health coverage to help control costs. Fortunately retirees who lose their coverage and are enrolled in Medicare are guaranteed acceptance into a Medicare supplement plan as well as prescription plans. The challenge is trying to understand all of the plans available and finding the plan that offers the best coverage for the monthly premium. Usually the company you retired from will send you information on a few of the plans available. You may even be invited to meetings with other retirees to get information on plans. The issue is trying to get the information you need and have all of your questions answered. Gather the information provided by your former employer and then give us a call to sit down with you one on one and review all of your plan options and help you make the best, most informed choice. Our services are free to you. We have worked with hundreds of local retirees in similar situations and have access to the major insurance carriers and products available in Northeast Ohio.

I am turning 65 in a few months but still working. Should I enroll in Medicare now or wait until I retire from my job in a few years?

This is a very common question and the answer depends on many factors. How much your employer charges you for your group coverage? How many employees work for the company you work for? And is your income above or below the Medicare threshold for the standard Part B deduction? The answers to these questions will help determine whether or not you should enroll in Medicare Parts A and/or Part B right now. In most cases it is less costly overall for people still working to dis-enroll from their employer sponsored health plan and enroll in Medicare. The standard deduction in 2011 for Medicare Parts A and B is \$115.40 per month. A good Medicare supplemental plan or Medicare Advantage plan will range in price from zero premium to up to about \$130 per month. Your employer is probably paying at least \$500 per month for your group health insurance so therefore it might be less costly to go off your work health plan and enroll in Medicare. Give us a call and we can sit down with you and evaluate your specific situation. Our services are free and we can give you lots of good advice!

How much will it cost me to be enrolled in Medicare and when should I start the enrollment process?

For people enrolling in Medicare in 2011 Part A of Medicare is no charge and Part B is \$115.40 per month. For people with higher income (above \$85,000 per year) you may have to pay more. If you are already collecting your monthly Social Security check you should automatically be enrolled into Medicare and your Medicare card should arrive within 3-4 months of your 65th birthday. Be careful that you do not accidentally shred your Medicare card up with the junk mail. You may be amazed at the amount of “junk mail” you will be getting from insurance companies trying to get you to call them and enroll in one of their plans. Some companies have become very creative with designing sales material that looks like “official business” that you must respond to. Do not fall into these traps. Give us a call or stop by the office. Bring the huge pile of junk mail with you and we’ll help you sort through it. We can give you lots of great advice on Medicare and your plan options and our services are always free!

I just received notice from my insurance company that my Medicare plan will be discontinued. Can they do this to me and will I be stuck with no insurance for next year?

Insurance companies that have contracts for Medicare plans can decide to exit the market if they choose. The company has a legal obligation to notify its members in advance so that you have time to find a new plan for the upcoming year. If you find yourself in this position you do not need to worry about whether you are healthy enough to be accepted by another plan. The rules are written to protect the consumer in situations such as these so you are guaranteed another supplement plan regardless of your health situation. And, pre-existing conditions must be covered by your new insurance carrier. Give us a call to go over your many supplement options!

What is meant by the term prescription “Donut Hole”?

The term “Donut Hole” as used when referring to prescription coverage is the coverage gap that is found in Medicare Part D drug plans. This gap in prescription coverage starts when a members total drug cost reaches \$2700 (\$2830 for 2010). When a person enters the coverage gap the insured member is required to pay the full price for prescription drugs until their total out of pocket costs reach \$4350 (\$4550 for 2010). Although we may enjoy having a few donut holes with our morning coffee entering the prescription “Donut Hole” is not a pleasant thing. Generally speaking using generic medications which cost less than name brand medications may help people avoid the coverage gap all together.

I have heard that there are going to be new Medicare supplements available June 1st, 2010. Is this true? Can I still keep my old Medicare Supplement plan?

In October of 2008 the Medicare Improvements for Patients and Providers Act (MIPPA) was passed into law. Part of this legislation was used to create new “Modernized” Medicare supplement plans. These new plans become available to consumers on June 1st 2010. Medicare supplement plans D, E, H, I, and J will no longer be available to purchase after May 1st 2010. New lower cost plans M and N are now available to apply for to have in place on June 1st 2010 or after. If you are covered by a plan now that will no longer be available you will not be dropped from your plan. You can stay on that plan or move to a new plan if you prefer. The two most popular Medicare supplement plans (plans C and F) are still going to be available in their “modernized” form. Now would be a good time to shop your Medicare Supplement plan if you feel like you are paying too much for your current plan. Give me a call to go over your new plan options! Medicare Advantage plans (PPO and HMO plans) and Medicare Part D drug plans are not affected at all by the above mentioned changes.

What is the Silver Sneakers program and how can I participate?

Silver Sneakers is a free fitness program offered to Medicare Recipients who are enrolled in specific Medicare Advantage or Medicare Supplement plans. People eligible and enrolled in Silver Sneakers get free access to participating fitness centers as well as the ability to participate in the Silver Sneakers fitness classes. This award winning program allows eligible Medicare recipients to remain healthy and physically active to help them maintain their independence and take greater control of their overall health and well being. There are many great facilities in the area that offer the Silver Sneakers program to those enrolled in one of the participating health plans. Eligible plans are offered by Anthem Blue Cross Blue Shield, Humana, and AARP/United HealthCare. Give us a call to see if your Medicare plan qualifies for Silver Sneakers or to enroll in an eligible plan.