

Having Second Thoughts about Your Medicare Plan?

Copyright: Managed Care Weekly Digest via NewsRx.com

Source: Managed Care Weekly Digest

Wordcount: unknown

2010 JAN 18 - (NewsRx.com) -- Medicare annual enrollment ended Dec. 31, but some beneficiaries can switch their coverage during open enrollment from Jan. 1 to March 31, according to Allsup, a nationwide provider of Social Security disability representation and Medicare services (see also Allsup).

"Whether or not you changed plans during annual enrollment, there are still a few moves you can make during Medicare open enrollment if you have second thoughts about your healthcare coverage," said Paul Gada. Gada is Allsup's personal financial planning director and product manager for Allsup Medicare Advisor®, a Medicare plan selection service that helps people choose the most affordable and appropriate plan for their specific healthcare needs.

During open enrollment, Medicare recipients generally can switch plans if they do not change the status of their prescription drug coverage. This means that if they had prescription drug coverage as of Dec. 31, any selection they make during open enrollment must also include drug coverage. If they did not previously have prescription drug coverage, they can only switch to an option without drug coverage. Examples of Medicare Plan Switches For example, someone could switch from a traditional Medicare plan with Part D (prescription drug) coverage to a Medicare Advantage plan with prescription drug coverage. However, they could not switch from a Medicare Advantage plan with prescription drug coverage to a traditional Medicare plan without also adding Part D coverage. (See chart for an outline of scenarios.)

Individuals also can switch from one Medicare Advantage plan to another, when both plans either cover, or do not cover, prescription drugs. One important exception is that someone cannot switch to a different Part D plan during open enrollment. Additionally, someone who had not joined a Medicare Part B plan when first eligible can do so during open enrollment; however, penalties may apply.

"We know more people are interested in changing plans now than have historically done so," said Gada, referencing the Allsup Medicare Advisor Seniors Survey. This survey found that while only 5 percent of seniors have changed Medicare plans, 16 percent are considering changes over the next year.

There are several reasons people might consider changing plans at this time, Gada said, even though their options are somewhat restricted. These include: Improving prescription drug donut hole coverage. For example, someone with Medicare Part D coverage who is prescribed a costly medication may want to find a Medicare Advantage plan with prescription drug coverage that provides benefits during the gap. For 2010, Medicare beneficiaries reach the gap once they and their plan have paid \$2,830 toward prescription drugs. The individual is responsible for paying the next \$3,610 of prescription drug costs. Each state offers at least one Medicare Advantage plan with some type of coverage during the gap. Finding ways to reduce costs. Individuals who compare the costs of their Medicare options may find savings. Traditional Medicare and a Part D plan might be more costly than a Medicare Advantage plan that also has prescription drug coverage. Traditional Medicare requires individuals to pay 20 percent of the Medicare-approved amount out of their own pocket. On the other hand, Medicare Advantage plans generally have lower, flat-fee co-pays or no co-pays, depending upon the plan; they also tend to offer lower costs for prescription drug coverage. Seeking expanded coverage. Because of limited coverage

under traditional Medicare, many people buy Medigap supplemental coverage. This can be effective for some people; however, Medigap insurance companies may refuse to cover pre-existing conditions up to six months after enrollment. Medicare Advantage plans, on the other hand, generally cover pre-existing conditions. Some also provide coverage for additional care, such as vision, dental and hearing.

Switching Options Further Limited after March 31 Between the end of open enrollment (March 31) and the start of the next annual enrollment (Nov. 15), individuals can join or change their plans for only a few specific reasons. These include:

- Disability: Individuals can join a plan as early as three months before to three months after their 25th month of disability, as determined by the Social Security Administration.
- Turning 65: Seniors can enroll in a new plan between three months before and three months after the month they turn 65.
- Moving out of the plan's service area: People moving permanently out of their plan's service area are allowed to switch plans at anytime during the year.
- Nursing home residents: A person who moves into, lives in or is leaving a nursing home can enroll in a new plan anytime during the year.
- Fraud: If a person learns they were enrolled in a plan without their knowledge, he or she can contact their state health insurance program (SHIP) anytime during the year for assistance in switching plans.
- Low-income: Recipients receiving "extra help" can switch plans as needed to ensure they are getting the most cost-effective, appropriate coverage possible. This includes individuals eligible for Low-Income Subsidy (LIS), both Medicare and Medicaid at the same time (dual-eligible) or Supplemental Security Income (SSI) benefits.

ABOUT ALLSUP Allsup is a nationwide provider of Social Security disability, Medicare and workers' compensation services for individuals, employers and insurance carriers. Founded in 1984, Allsup employs more than 600 professionals who deliver specialized services supporting people with disabilities and seniors so they may lead lives that are as financially secure and as healthy as possible. The company is based in Belleville, Ill., near St. Louis. For more information, visit www.Allsup.com.

The information provided is not intended as a substitute for legal or other professional services. Legal or other expert assistance should be sought before making any decision that may affect your situation.

Editor's Note: A chart on Medicare open enrollment switching options is at <http://www.allsup.com/portals/4/Medicare-Switch-Chart-2010.pdf>

This is a news service of Thomson Business Intelligence Service ©2006. This content is for your personal use only, subject to Terms and Conditions. No redistribution allowed.