

Medicare Open Enrollment for 2015

What to do and when to do it.

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Open enrollment for Medicare began October 15th. This is the time of the year when it is vital to do an annual checkup on your Medicare program so you can make changes to your coverage (if needed) and choose a program that best fits your needs. Remember that Medicare coverage is ever evolving due to insurance carriers continuing to review their costs and risks and more recently with legislation regarding the Affordable Care Act. It's important to use open enrollment as a time to make sure your benefits and costs are not changing dramatically.

We recognize the significance Medicare plays in the lives of our clients and are working diligently to begin offering in-depth reviews of your Medicare program. Unfortunately, we will not be ready until next year so for now we offer some tips on how to approach this year's enrollment period.

Medicare open enrollment occurs in phases, so knowing what those phases are and when they occur can be helpful when reviewing your Medicare coverage.

The Phases:

Now through December 7: Open enrollment period. This is when you can elect to leave Original Medicare (Parts A and B) for a Medicare Advantage Plan (Part C) and change your prescription drug coverage (Part D). You can also elect to get out of an Advantage Plan and go back to Original Medicare during this period.

December 8: Annual enrollment period begins for 5-star plans. As you may know, Advantage and Prescription Drug Plans are assigned ratings. Becoming a 5-star plan is not easy and has many quality factors that the insurer must achieve. However, once an insurer offers a 5-star plan they benefit from not only the rating but also an extended enrollment period. Beginning December 8, 2014 and ending November 30, 2014, a window opens for you to enroll in a 5-star Medicare Advantage or Prescription Drug Plan. If you are considering a 5-star plan remember you can only change once per year and you may be limited to the plan's provider network.

January 1-February 14: Disenrollment period. If you are insured by a Medicare Advantage Plan with drug coverage you can switch from that plan and go back to Original Medicare with a stand-alone Prescription Drug Plan (Part D).

What's Important?

If there is one thing that is certain in Medicare plans it is that there is no one size fits all solution. More often than not your seemingly easy questions regarding Medicare will open another can of worms with more “what ifs” to consider. Just remember your experience with a Medicare Program will be different from your spouse’s, your closest friend’s, your parents’, and every other person on the same program. With that said, base your decision on YOU. Below you will find a few tips to get you started for this enrollment period.

Look for your Annual Notice of Change (ANOC) letter. This is a great starting point if you already have a Medicare Advantage or Prescription Drug Plan. Your current plan may have been great for the past several years but things can change. Make sure the plan still meets your medical care needs and assure any prescriptions you currently take are covered.

Don’t shop for the lowest premium. Premiums make up only one part of the costs that you incur. A high deductible, copays and co-insurance (costs you share with the insurance company) could make a low premium plan less attractive.

Carefully assess the provider network. Just because your current provider accepts Original Medicare or your current Medicare Advantage plan, it does not mean that they participate in another Medicare Advantage plan. Changing your plan may require you to change your medical providers whether it be the hospital you prefer or the doctors you trust. Talk to your providers and see what insurance they accept.

Examine the approved drugs (aka formulary). Prescription drug plans can and do change their approved drugs from year to year. Make sure the drugs that your doctor prescribes are on the approved list and if not consult your doctor to make sure the drugs that are offered will meet your needs. Remember, insurance companies strike deals with prescription drug companies to lower costs and they may require substitutes (generic or brand name) for the current drugs that you and your doctor feel comfortable with. You can ease the process by entering the drugs you take at medicare.com and letting them search for programs that cover your prescriptions.

Manage the “Doughnut hole.” Remember the doughnut hole is a point in prescription drug coverage when your 25% co-insurance ends and you no longer receive any assistance from the insurer until you reach a point of catastrophic coverage. During this middle ground your Prescription Drug Plan does not cover any of your costs and you pay entirely out of pocket. While this hole in coverage is getting phased out with the Affordable Care Act, it still exists and could be cause for substantial out of pocket expenses. Some plans mitigate the doughnut hole but will manage the risk for loss in other ways like raising your premium or co-payment. Shop for a plan that not only fits your prescription drug needs best but also manages all of the costs behind them.

Use your resources. There are many resources to help you navigate through this process. As mentioned above we plan to be your primary resource beginning next year. Please feel free to contact us with any questions in the interim. Additionally, visit www.Medicare.gov/find-a-plan to use a plan finder, review a current “Medicare & You” handbook, call 1-800-MEDICARE, or get counseling through your State Health Insurance Assistance Program.

<https://www.medicare.gov/Pubs/pdf/11220.pdf>

<http://www.medicarerights.org/pdf/MADP.pdf>

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<http://www.medicare.gov/sign-up-change-plans/when-can-i-join-a-health-or-drug-plan/five-star-enrollment/5-star-enrollment-period.html>