PONTCHARTRAIN CANCER CENTER

Medicare open enrollment for 2018

Open enrollment for Medicare runs from Oct. 15, 2017 to Dec. 7, 2017 for plans starting Jan. 1, 2018.

While the future of the private health insurance market continues to be uncertain, Medicare open enrollment is running like it has for years.

As a Medicare beneficiary, you have from **Oct. 15, 2017 to Dec. 7, 2017**, to review your coverage and make any changes for 2018. New coverage for changes made during the open enrollment begins January 1, 2018.

The state and federally run ACA marketplaces (exchanges) for individual health insurance plans, begin open enrollment November 1, 2017 and runs until December 15, 2017. The coinciding events are confusing to some people, but Medicare's open enrollment is not a part of the Marketplace. Some seniors mistakenly think they can enroll in a Medicare plan through ACA health insurance marketplaces. But while the marketplaces will sell private individual health plans to people under age 65, they don't sell Medicare plans. People with Medicare do **not** need to enroll in the health insurance marketplaces.

Medicare's open enrollment period is the time when participants should review their current health and drug plans and decide if any changes should be made.

Medicare open enrollment options

During the Medicare open enrollment period you can:

- Do nothing and keep your current Medicare medical and drug coverage as is.
- Switch to a Medicare Advantage plan from Original Medicare.
- Switch to Original Medicare from a Medicare Advantage plan.
- Change Medicare Advantage plans.
- Change Part D prescription drug plans, sign up for a drug plan if you don't have one now, or drop drug coverage.

Over 65 percent of the plans have a quality rating of four or more stars, based on a five-star rating.

Changing Medicare Advantage coverage after the AEP

Between January 1 and February 14 each year, if you are enrolled in a Medicare Advantage plan, you can leave your plan and return to *Original Medicare*. You cannot switch to another Advantage plan unless you have a circumstance that affords a Special Enrollment Period.

Just turning age 65?

You have three months before your birth month and three months after your birth month to enroll in Medicare. If you turn 65 this fall, you'll need to enroll for coverage to take you through the end of this year and sign up for coverage for 2018.

If you have an ACA Marketplace, workplace or individual health insurance policy, you can keep it until your Medicare coverage begins. Once your Medicare starts up, you can cancel your Marketplace or private health insurance policy without penalty. If you're continuing to work and receive group health insurance from your employer, you may be able to delay signing up for Medicare Part B (without

penalties) until your employment terminates. Discuss with your employer your healthcare coverage, if this situation applies.

Review your annual Medicare changes

Reviewing your coverage is important because Medicare Advantage and drug plans can change, and so can your health care needs.

You should receive an "Annual Notice of Change" from your plans before open enrollment begins. Review the information to understand Medicare coverage and costs for next year. Among the questions to ask:

- Does the prescription drug plan cover the medications you take? What are the coverage rules for drugs? Can you use your local pharmacy or do you have to get mail-order prescriptions?
- Are your doctors and hospital in the health plan's network? Do you need to get referrals to see specialists?
- How much will you pay in premiums and out-of-pocket health care costs, such as deductibles, copayments and coinsurance?
- What is the plan's quality rating?
- Will you have coverage when you're out of state or the country?
- Do you have access to other coverage, such as group health through a current or former employer? How will Medicare work with that insurance?
- If you are currently under treatment for a medical condition, will your coverage continue as you have become accustomed or will you experience changes that will impact your ability to receive the same type of care at the same cost?

Two main ways to buy Medicare plans

Original Medicare

The federal government runs Original Medicare, which includes Part A and Part B. Part A covers hospital care, and Part B covers doctor visits, outpatient care, lab work, X-rays and preventive services. You likely don't pay a premium for Part A coverage if you and your spouse paid Medicare taxes while working. You do have to pay a deductible, however, before hospital coverage kicks in. You pay a monthly premium for Part B, as well as a deductible and coinsurance.

With Original Medicare, you can see any doctor or go to any hospital that accepts Medicare.

You can add a prescription drug plan -- Part D. Private insurers sell drug plans, which are approved by Medicare. You pay a monthly premium for a drug plan.

In addition, you can buy a supplemental plan, called Medigap, to help cover some of your out-of-pocket costs. Private companies sell Medigap plans, which are standardized by letters A through N in most states.

You don't have a guaranteed right to buy or switch Medigap plans during the annual Medicare open enrollment period in the fall. The best time to buy a Medigap plan is during the first six months you're at least 65 and enrolled in Plan B. During this period, federal law gives you the right to buy a plan, regardless of your health condition. You can still buy or switch Medigap plans later, but except in limited situations Medigap plans can turn you down or charge you higher premiums based on your health. The Affordable Care Act provision prohibiting insurers from rejecting or charging higher

premiums for people with health conditions does not apply to Medigap because the stipulation is only for those under age 65.

Medicare Advantage
Private companies approved by Medicare sell Medicare Advantage Plans. These plans usually operate like health maintenance organizations or preferred provider organizations. You must use doctors or hospitals in the plan's network, or you pay more out of pocket for care. Medicare Advantage plans combine Part A and Part B of Original Medicare, and most cover prescription drugs. Some plans also cover vision and dental care. You pay a monthly premium as well as copayments or coinsurance.

You can add a drug plan to a Medicare Advantage plan that doesn't cover medication. You cannot buy a Medigap plan if you have Medicare Advantage.

The Medicare Alphabet Soup

Medicare Part A — Your Hospital Coverage

When you apply to Medicare, you are automatically enrolled in the Part A plan. Part A is your hospital insurance plan. It covers nursing care and hospital stays, although not doctors' fees. Part A also covers some home health services, skilled nursing care after a hospital stay and hospice care.

You likely won't have to pay a monthly premium for Medicare Part A, thanks in part to all the payroll taxes you paid while you were employed. You must, however, pay a yearly deductible before Medicare will cover any hospitalization costs. For 2018, the Part A deductible is $1,316.

Part A pays about 80 percent of your Medicare-approved, inpatient costs for the first 60 days you are hospitalized. If you have a longer hospital stay, you will have to pay a larger share of the costs. (That's where it helps to have supplemental insurance.)

If you are a U.S. citizen or permanent resident and have not worked long enough to qualify for Medicare, and can't qualify through a spouse, you may be able to buy Part A coverage for around $450 per month.

Medicare Part B — Your Medical Coverage

Part B pays for a portion of your doctor visits, some home health care, medical equipment, outpatient procedures, rehabilitation therapy, laboratory tests, X-rays, mental health services, ambulance services and blood.

Part B is optional, and you may want to opt out of Part B if you still have health insurance through an employer, union, your spouse, etc. Part B requires that you pay a monthly premium to Medicare (the standard rate for 2018 is $134.00), and there is a small deductible ($183 in 2018) that must be reached before Part B begins paying for services. People with higher incomes — above $85,000 annually for an individual or $170,000 for a couple — pay higher rates. -A warning about delayed enrollment: If you opt out of Part B when you initially enroll in Medicare but later decide that you want the coverage, you may have to pay a higher premium.
It's important to weigh carefully the health care resources you'll have — not just in the next year or so, but also several years down the road. Individuals who will have strong retiree benefits from, say, a

union or public service career may choose to opt out of Part B, while those who are still working but don't expect to receive retiree health benefits often opt to switch over to Part B before leaving the work force.

Medicare Part C — Your Private Insurance Option

Part C plans are offered through private insurance companies and approved by Medicare. They are also known as Medicare Advantage or Medicare Health plans.

The Medicare program currently subsidizes private insurance companies that offer Medicare Advantage plans. Because of these subsidies, Part C plans cost Medicare more per person than Original Medicare.

Beginning in 2012, Medicare will reduce these subsidies. Some of the savings will go toward helping to close the prescription drug coverage gap — the so-called doughnut hole.

Due to reduced subsidies, Medicare Advantage plans dropped services or raised premiums and copayments. Be sure to carefully review your Part C plan's fees and coverage before signing on for another year during Medicare's annual open enrollment period.

Before enrolling in a Part C plan, you must first enroll in Original Medicare — both Part A and Part B. If you decide to use Medicare Advantage, you choose the plan yourself and sign up directly with the private insurer.

By law, Part C plans must pay for at least the same health care services as Original Medicare. But they sometimes pay for things that are not covered by Original Medicare, such as vision and dental care. Most, but not all, Medicare Advantage plans also provide some prescription drug coverage.

Medicare Advantage plans are generally organized as health maintenance organizations (HMOs) or preferred provider organizations (PPOs). Typically, in these types of plans you choose one doctor as your primary care provider, and your choice of doctors, hospitals and other health care providers is restricted. If you see providers outside of the plan's network, you likely will pay more, or these providers' care might not be covered at all.

Private fee-for-service Medicare Advantage plans, which allow for the regular use of out-of-network providers, are available in some areas.

You can check with Medicare.gov for availability near you. For more detailed information, see the Medicare publication Your Guide to Medicare Private Fee-for-Service Plans.

Medicare Part D — Your Prescription Drug Plan

The newest addition to the Medicare alphabet, Part D, helps you pay for prescription drugs.

Part D is optional and available to people who are enrolled in Original Medicare (Parts A and B) and most Medicare Advantage plans.

Part D plans are offered by private insurance companies that are approved by Medicare. You sign up for them directly with the private insurer.

If you are enrolled in a Part D plan, you will pay a monthly premium and sometimes a deductible, as well as copayments for your drugs.

Each plan varies in the cost of premiums, the price of drugs and its list of covered drugs or "formulary" under the plan.

The “doughnut hole” is the coverage gap between the limit on initial coverage for drugs and the spending threshold when catastrophic coverage for drugs begins. During this time, beneficiaries pay a larger part of the total costs of drugs. In 2017, the initial coverage limit was $3,700.

Catastrophic coverage kicked in once you spent $4,950 out of pocket on drugs for 2017, up $100 from 2016. Catastrophic coverage makes it possible for you to pay a small coinsurance amount or copayment for covered drugs (5 percent of the cost of drugs) for the rest of the year. The coverage gap will close in 2020.

Your Other Health Plans

If you’re 65 or older and are still covered by a group health plan through your spouse or employer, or through a retiree, union or private plan, you might not need Medicare right away, or you may need only a part of it.

Your health care resources over and above those available through Medicare will have a major impact on how you use Medicare and how much you will pay for the benefits Medicare offers.

Before deciding whether or not to use Medicare, or changing any of your non-Medicare health care coverage, find out how your decisions will affect your overall health insurance portfolio.

Medicare and/or your insurer or benefits manager at your employer or union can answer your questions — and it doesn’t hurt to confirm answers by speaking with a second source. Never drop your private coverage without fully understanding the consequences. You might not be able to get it back!

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Traveling Abroad

Medicare generally won’t cover your health care costs while you’re traveling outside the U.S. (Read the fine print in the "Important Information" section of your U.S. passport sometime. It’s actually mentioned there.) That’s why some people with Medicare decide to buy a Medigap or other supplemental policy.