



Insurance

MEDICARE QUESTIONS & ANSWERS

Seniors have many decisions to make during Medicare's annual open enrollment period. For those 65 and older, the open enrollment period is the time to consider switching plans if you are not happy with your current coverage. If you are happy with your current plan, you don't need to do anything during open enrollment. But if you are not happy, this is the time to shop around.

WILL HEALTH REFORM CHANGE MEDICARE BENEFITS?

Yes, there are a number of changes you'll see as a result of the Affordable Care Act. First, open enrollment dates were pushed up by nearly a month, starting on October 15th and ending on December 7th. Next, seniors who reach the gap in prescription drug coverage, the "donut hole," will get a price break. In 2012, there is a 50% discount on brand-name drugs and 14% off generics.

Health reform also emphasizes wellness. Annual wellness visits, diabetes and cancer screening and flu shots will have no co-pay, deductible or co-insurance. To review a list of free preventive services, go to Healthcare.gov, click on the tab for "The Health Care Law and You," select "Key Features of the Law," then "65 and Older" and finally "Medicare Preventive Services." Medicare Advantage plans must now limit total out-of-pocket costs to \$6700 per year. But drug costs do not count toward that, only deductibles, co-pays and co-insurance for outpatient and hospital-related services.

There is also a new five-star rating system for Medicare Advantage and Part D plans. To encourage enrollment

with highly regarded carriers, the government is allowing people to switch to a five-star plan any time during the year, even if it's not during open enrollment. Only nine health plans received five stars for 2012, so one may not be available in your area.

WHAT HAPPENS IF YOUR MEDICARE ADVANTAGE PLAN IS CLOSING FOR 2012?

It is common for an insurance company with multiple plans in a single market to shut some down. If that happens, the company may enroll you in another plan by default, though you may opt out of that selection. Failure to take action could land you back in original Medicare, which, alone, doesn't cover prescription drugs. For that you must choose a Part D plan. Nearly 302,000 Medicare beneficiaries will be affected by Medicare Advantage plans closing in 2012; half are in California. The availability of alternative plans will vary widely throughout the state. If your plan isn't renewing next year, you'll be given extra time to choose another between December 8 and the end of February.

IF I SWITCH TO A DIFFERENT HEALTH PLAN, WILL I STILL BE ABLE TO SEE MY DOCTOR?

Not necessarily. If you switch plans, the provider network may change too, even if you stick with the same insurance company. And visiting a doctor who is out-of-network means greater out-of-pocket costs. If you decide to hold on to the same plan you have had, it is still wise to confirm that your doctor will accept your insurance. It is always a good idea to call your doctor directly to ask.