

Getting Bombarded with Medicare Advantage offers?

Here's What You Should Know.....

Medicare Advantage plans are offered by commercial insurance companies and replace Medicare as your primary insurance. These plans are available at \$0 or low premium and typically combine Medicare Part A and B coverage together with a Prescription Drug Plan and other added services such as dental, vision, hearing and gym membership. While these plans offer many free preventative services, they also impose a schedule of fees for services which you pay for when used - copays to doctors, in-hospital daily copays, fees for outpatient surgery, coinsurance for dialysis, etc.

What's the catch? If you are in good health and able to keep your medical expenses down, then these plans may well save you money. If, unfortunately, your healthcare needs require you to see many doctors or have multiple hospital stays, you could be exposed up to a maximum of \$7,550 in out-of-pocket expense. Medical expenses that you incur in excess of that maximum are the responsibility of the insurance company.

Is your doctor in the network? Most plans utilize a provider network - you go to doctors and hospitals in the plan's network. Go out of the network - you might not be covered or may be responsible for deductibles or higher copays. And be careful - **Medicare Advantage insurance is not accepted by all doctors or hospitals.**

What about the dental, hearing, vision and gym memberships?

Many Medicare Advantage plans offer additional benefits including dental, vision and hearing. But be sure to read the fine print. Benefits may be limited to preventative services, and all plans have annual limits as to the amount of benefits they will pay. These plans are very specific as to where you must purchase things like hearing aids and eyeglasses. Most dental coverage requires you to see a dentist in the plan's network. Though these additional coverages certainly have value, you must understand the restrictions in order to utilize these benefits.

But be careful - there can be implications in going from traditional Medicare and a Medicare Supplement to a Medicare Advantage. Medicare rules permit you to join a Medicare Advantage plan annually during the Annual Enrollment Period and to select a new Medicare Advantage plan every year. However, the reverse is not always true. You may leave a Medicare Advantage plan to return to traditional Medicare only at certain times during the year, and in most cases, if you wish to return to a Medicare Supplement plan, it is not automatic. **You may be subject to medical underwriting and denied coverage by the Medicare Supplement insurer based on your medical condition.** If you should be denied, you will still have the opportunity to select a Medicare Advantage plan on a guaranteed basis.

In short, you need to understand the pros and cons. If you are willing to see network doctors, comply with a higher degree of managed healthcare and want to take advantage of the many preventative health benefits offered at no or low cost, a Medicare Advantage plan may be for you. Being in good health and staying out the hospital will keep your costs down.

On the other hand, stay with a Medicare Supplement if you like the freedom of seeing any doctor or hospital anywhere in the US who accepts Medicare patients, and the security of knowing that between traditional Medicare and your Medicare Supplement almost all covered expenses are paid for without any surprises.

Feder Insurance sells both Medicare Supplement and Medicare Advantage plans representing the major companies - AARP/United Healthcare, Aetna, Mutual of Omaha, Humana, Horizon B/C & B/S, Clover Health, WellCare and Braven.

If you would like to consider a Medicare Advantage plan, please provide us with a list of your doctors, preferred hospital, medications and preferred pharmacy using the form below.



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To: Medicare Clients

Many clients have expressed interest in **Medicare Advantage** Plans. You can select a new Medicare Advantage plan for 2022 during the Annual Enrollment Period which runs from **October 15 through December 7, 2021**.

To help us assist you in assessing your Medicare plan options for 2022, please provide us with the following:

Your Name _____
Address _____
Telephone _____ Email _____

PLEASE RESPOND TO THE FOLLOWING:

___ Please check to see that the following doctors are covered by the 2022 plan
Name (PCP or Type of Specialist) Location (City & Zip code)

___ Please check to see that the following hospital(s) is covered by the 2022 plan
Name of Hospital Location (City & Zip code)

Name of Medication (full name from pill bottle)	Dosage	Frequency
For Example → Amlodipine Besylate/Benazepril HCL	10-20 mg	1 tab 3 x day

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

Pharmacy of Choice _____ Mail Order (if cheaper) Y___ N___ Already use___

Please Mail, Email or Fax completed form to: Feder Insurance Services
If you have friends or family who can use our Medicare services, please ask them to contact us.
(Use additional sheets if necessary)

HOW CAN I DECIDE WHICH TYPE OF MEDICARE PLAN?

USE ORIGINAL MEDICARE/MEDICARE SUPPLEMENT IF:

“I like the ability to go to any doctor or hospital anywhere without restriction and I know exactly what I will pay each year for healthcare”

- Access to medical care with least restrictions
- Accept a fixed cost (Medicare Supplement premium + Rx premium x 12 months = Cost for year)
- No Hassles:
 - Policy automatically renews each year
 - No referrals necessary (in most situations)
 - Seek healthcare anywhere in US
 - Select a new Rx plan every year

USE MEDICARE ADVANTAGE IF:

“I know that not all doctor or hospitals may accept a Medicare Advantage plan, but I like the combined healthcare/Rx/dental/vision/gym membership benefits all in one policy at a very reasonable cost”

- Coverage is through an insurance company, and \$0 premium or low premium plans are common
- If no claims → no cost/low cost
- I can accept being restricted to a provider network and service area limitations
- Like option of selecting a new plan every year
- Even with a bad year health-wise, plans have a cap on the maximum amount for which I can be responsible to pay (\$7,550 in 2021)
- Some plans allow me to go out of network (PPO/POS), but not all doctors/hospitals will accept Medicare Advantage plans
- Medicare regulations restrict how and when you can revert from a Medicare Advantage plan back to Original Medicare, and whether you can purchase a Medicare Supplement on a guaranteed issue basis. Otherwise, any new Medicare Supplement application may be subject to health underwriting and possibly denied.

The Pros and Cons of Switching to a Medicare Advantage Plan

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Summary: Medicare Advantage plans can be full of extra benefits like prescription drug coverage, dental, hearing, and vision coverage. Another advantage of a Medicare Advantage plan is a mandatory out-of-pocket maximum. A possible disadvantage of a Medicare Advantage plan is you can't have a Medicare Supplement plan with it. You may be limited to provider networks.

If you're new to Medicare, you may be curious about Medicare Advantage. Here are some pros and cons of enrolling in a Medicare Advantage plan.

For starters, Medicare Advantage plans are offered by private insurance companies but are regulated by Medicare. Regardless if the Medicare Advantage plan you choose has a monthly premium or not, you must continue to pay your Medicare Part B premium. Some Medicare Advantage plans have premiums as low as \$0.

Medicare Advantage Pros

Pro 1: Out of pocket maximum

You may not know that Original Medicare (Part A and Part B) has no out-of-pocket maximum. That means that if you face a catastrophic health concern, you may be responsible to pay tens of thousands of dollars out of pocket.

All Medicare Advantage plans have out-of-pocket maximums, which prevent you from very high spending when a serious illness happens. Once you meet this limit, your plan covers the costs for all Medicare-covered services for the rest of the year. In 2021 the out of pocket limit

is \$7,550, according to the Kaiser Family Foundation. Plans can set lower limits, but not higher.

Medicare Advantage plans may offer extra benefits beyond what Original Medicare covers. Medicare Advantage plans must cover, at a minimum, everything that Part A and Part B covers. They also may offer extra benefits such as...

Pro 2: Prescription Drugs

Most Medicare Advantage plans have prescription drug coverage. This could be good news if you take one or more prescription drugs.

Pro 3: Vision and hearing

Many Medicare Advantage plans offer routine vision and hearing coverage. This could include coverage for routine eye exams, routine eyewear, routine hearing exams, and hearing aids.

Pro 4: SilverSneakers

SilverSneakers is a fitness program for Medicare Advantage beneficiaries. Not all plans offer SilverSneakers.

Pro 5: Dental

Some Medicare Advantage plans may cover preventative dental services including oral exams, cleanings, fluoride treatment, and x-rays.

Pro 6: Other extra perks

Other extra benefits may include:

- ◆ Meal delivery for beneficiaries with chronic illnesses
- ◆ Transportation for non-medical needs like grocery shopping
- ◆ Carpet shampooing to reduce asthma attacks

- ◆ Transport to a doctor appointment or to see a nutritionist
- ◆ Alternative medicine such as acupuncture

Keep in mind not all Medicare Advantage plans offer the same extra benefits. Since benefits vary by plan, check with the specific Medicare Advantage plan you're considering for more details.

Pro 7: Lower out of pocket costs

Under Medicare Advantage, each plan negotiates its own rates with providers. You may pay lower deductibles and copayments/coinsurance than you would pay with Original Medicare. Some Medicare Advantage plans have deductibles as low as \$0.

Pro 8: ESRD coverage

Medicare Advantage plans can now accept you if you're a Medicare beneficiary under age 65 who has ESRD (end-stage renal disease, a type of kidney failure).

Medicare Advantage Cons

Con 1: Networks

Many Medicare Advantage plans have networks, such as HMOs (health maintenance organizations) or PPOs* (preferred provider organization). Many Medicare Advantage plans may have provider networks that limit the doctors and other providers you can use. Under Original Medicare, you can use any provider that accepts Medicare assignment.

Con 2: Doesn't work with Medicare Supplement

Medicare Advantage and Medicare Supplement insurance plans are mutually exclusive. Medicare Supplement insurance plans help cover Medicare's out-of-pocket costs, such as copayments, coinsurance and deductibles. You can't get this help if you have a Medicare Advantage plan.

Con 3: The out of pocket maximum resets every calendar year

... and it also varies among plans (although no plan may exceed the Medicare-set maximum amount). For example, suppose your plan out-of-pocket maximum is \$6,700 per year. Say you start getting cancer treatment in October. You could reach your \$6,700 maximum in 3 months. Then as you keep getting treatment in January, you could reach your \$6,700 maximum again in three more months. That's \$13,400 out of pocket in six months.

If you decide a Medicare Advantage plan is not for you may consider a Medicare Supplement plan.

*Out-of-network/non-contracted providers are under no obligation to treat Preferred Provider Organization (PPO) plan members, except in emergency situations. For a decision about whether the plan will cover an out-of-network, your or your provider are encouraged to ask for a pre-service organization determination before you receive the service. Please call the plan's customer service number or see your Evidence of Coverage for more information, including the cost-sharing that applies to out-of-network services.