



Enrolling in Medicare: PlanPrescriber Offers Recommendations for Baby Boomers Turning 65

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Today PlanPrescriber (www.planprescriber.com), a wholly-owned subsidiary of eHealth, Inc. (NASDAQ: EHTH), published advice for baby boomers enrolling in Medicare benefits for the first time. According to the U.S. Census Bureau, for the next 19 years, an average of 11,000 people will turn 65 years old every day, making them eligible for Medicare benefits. This means that starting this year, the first of 78 million baby boomers will begin educating themselves about their Medicare coverage options for the first time.

To help baby boomers make the right decisions about their coverage during their initial Medicare open enrollment period, newcomers to Medicare should consider the following recommendations.

1. Take it easy. You are not locked into the same Medicare plan forever. Each year you're able to change your Medicare Advantage coverage and/or your Medicare part D prescription drug coverage. Some Medicare Supplement (also called MediGap) plans only allow you to enroll without medical underwriting during your initial enrollment period (the first six months that you become eligible for Medicare), but others allow you to enroll at any time. If you begin researching Medicare before your 65th birthday, the decision-making process should be easier.

2. Do some basic training. Medicare can be confusing. It's a different type of health insurance coverage than most people are used to, so before you get inundated with sales pitches and unsolicited advice, try to understand your basic coverage options.

There are three basic Medicare coverage configurations you can choose from: The first is to go with Original Medicare (Part A and Part B), plus a Part D prescription drug plan; the second is Medicare Advantage, which can include vision, dental and prescription drug coverage; and the third is a Medicare Supplement, or MediGap, plan coupled with Original Medicare (A and B) and Medicare Part D.

Each year during the annual enrollment period, it's a good idea to review and update your Medicare Part D prescription drug plan. Or, if you have Medicare Advantage coverage, you should review the prescription drug coverage on your Medicare Advantage plan at that time.

3. Pick coverage you can afford. It seems obvious, but you need to estimate what your retirement income will be before you enroll in Medicare.

Calculate your income after Social Security benefits, pensions, IRA, 401(k), savings, etc. Then, create a list of monthly expenses including rent, utilities and food, as well as other things like your prescription drug costs. Subtract your expenses from your income to develop a good sense of what you can afford to spend on Medicare on a monthly basis.

You should also look at your savings and think about what kind of a Medicare deductible you can afford if you have a large medical expense. Once you know what you can afford to pay each month for premiums and prescription drugs, as well as what type of annual deductible you could afford if you have an unexpected illness or injury, you're ready to start comparing plans.

4. Factor your personal health into your decision. Understanding your health status can help you understand the type of Medicare coverage that best suits your needs. Talk to your doctor about the types of illnesses you might be at risk for, based on your family history and current health status.

Medicare Supplement (MediGap) plans typically cover costs that Medicare Advantage and Original Medicare (Parts A & B) do not, like deductibles for hospital stays or insurance when you travel overseas. Some of these MediGap plans charge a higher premium based on your age. Others may not allow you to enroll without medical underwriting after your six-month open enrollment period expires. So, do your research and try to select a Medicare Supplement plan that you're able to afford today, and that you're likely to be able to afford 15 years from now if your income remains fixed after retirement. If you take prescription medications, use a prescription drug comparison tool during the annual enrollment period, to help you pick a plan that covers your drugs at the lowest possible cost.

5. Think about your travel plans. If you travel to different states, or internationally, be sure you know the circumstances under which you'll have medical coverage. Some Medicare Supplement, or MediGap, plans provide emergency health care coverage when you're traveling in foreign countries. And, if you spend part of your year in another state, look for Medicare plans that will cover you outside of designated networks. Be aware, however, that Original Medicare and most MediGap plans are good in any location in the United States.

6. Compare your options side-by-side. Medicare Supplement plans (also called MediGap plans) come with different letter designations: A, B, C, D, F, G, K, L, M and N. Within each letter designation, each MediGap plan is required, by law, to offer the same benefits. So, for example, a Medicare Supplement N plan from one insurer must -- by law -- cover the same services as a Medicare Supplement N plan from another insurer in the same area. But, the costs for these plans can vary greatly. If you use a good online comparison tool that will help you compare the plans and their prices side-by-side so you can make an informed decision.

7. Challenge your loyalty to brands. There are Medicare Advantage plans and Medicare Supplement plans that come from companies you've heard of. If there is a company or brand you trust, you should definitely investigate their Medicare coverage and consider that coverage as one of your options. But, you should pay close attention to prices, available health care providers and other factors that may be important to you. Don't pay more only because you like the name of the insurer.

8. Be aware of different pricing models for Medicare Supplement plans. Medicare Supplement (or MediGap) plan premiums are determined by various pricing models as well as factors including age, gender, when a person enrolls, and whether or not they smoke. There are three types of pricing models that account for the variation in MediGap plan costs: age-attained, community-rated, and issue-age.

-- Age-attained plans base the monthly premium on your age. An

age-attained plan may be very affordable when a person turns 65, but the premium will increase as they age.

- Community-rated plans offer the same premium rates for all enrollees. While the premiums may increase due to inflation, the premiums will not increase each year due to age.
- Issue-age plans determine the premium from the age at which the senior was first enrolled in the Medicare Supplement plan. The monthly premium may increase due to inflation and other factors, but will not increase because you age. While premiums do not increase each subsequent year after you enroll, if you enroll at age 75 you'll pay higher premiums than if you had enrolled at age 65.

9. Ask for help. Medicare is complex, but there are a number of resources available online, by phone and in person. In addition to online sites like www.PlanPrescriber.com, you can contact PlanPrescriber by phone at 800-404-6968 or call your State Health Insurance Assistance Program (SHIP) for assistance. SHIPs receive federal funding to provide free local health insurance counseling to people on Medicare. Also, the federal government has established telephone and online resources through 1-800-MEDICARE and www.medicare.gov to provide information about Medicare coverage and costs, as well as health plan options. Giving yourself the time to research and consider your Medicare coverage options can pay off.

You may be able to get Extra Help to pay for your prescription drug premiums and costs. For more information on Extra Help, you can contact PlanPrescriber.com at 800-404-6968 to be connected with a partner's licensed representative who can discuss Extra Help eligibility rules or contact Medicare directly at 1-800-MEDICARE (1800-633-4227). TTY users should call 1-877-486-2048, 24 hours a day/ 7 days a week; the Social Security Office at 1-800-772-1213 between 7 a.m. and 7 p.m., Monday through Friday. TTY users should call, 1-800-325-0778; or Your Medicaid Office (only required for pieces referencing Part D benefits or cost-sharing). In general, beneficiaries must use network pharmacies to access their prescription drug benefit, except in non-routine circumstances, and quantity limitations and restrictions may apply.

The Centers for Medicare and Medicaid Services (CMS) has neither reviewed nor endorsed the information provided by PlanPrescriber.

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