

## **MEDICARE ANNUAL ENROLLMENT PERIOD ENDED DECEMBER 7<sup>th</sup> - - -**

The Medicare Annual Enrollment Period runs every year from October 15<sup>th</sup> through December 7<sup>th</sup>. This is a time when individuals currently enrolled in Medicare review their current coverage, network of doctors, hospitals, etc. and prescription drug coverage. They can then choose to keep their current plan, change to a different plan design within the same insurance carrier, or switch to a different insurance company. The new plan design goes into effect on January 1<sup>st</sup> of each year.

This year there were a lot of changes during the AEP. As most of you know, Highmark Medicare Advantage members will be losing in network access to many UPMC hospitals and some physicians as well. Due to this, some Highmark members chose to use conversion rights to switch to a Medigap plan, which is accepted by all doctors and hospitals who accept Medicare. Others decided to enroll in Medicare Advantage plans offered by other carriers, while some chose to stay with Highmark Medicare Advantage plans since most of their providers were still covered in this network.

I hope that I was able to be of assistance helping you navigate your many options, which are extremely confusing, to say the least. I really appreciate your patience and continued support. Many of you referred your friends and family, which means so much. Your confidence and trust are most important to me.

## **UPCOMING MEDICARE EDUCATIONAL WORKSHOP- - -**

I try to hold 3 to 4 educational workshops each year on topics that might be of interest to you. This past year, due to the many changes with the Medicare networks, I focused on Medicare plans. If there are specific topics of interest in the exciting field of insurance that you are interested in learning more

about, please let me know so I can try to include this information in future workshops.

Each year I have been fortunate to have Elaine Cole, Public Affairs Specialist for the Social Security Administration present at one of my workshops. This year it will be held on **Thursday, February 21<sup>st</sup> from 1pm until 2:30 pm** at the Peters Township Library, which is located on 616 E. McMurray Road, McMurray, PA 15317. Elaine will be discussing basic aspects of both Social Security and Medicare, including: eligibility, application process, income related monthly adjustments (IRMA) and late enrollment penalties. No plan specific information will be provided. If you are interested in attending or know of family or friends who may be interested, please let us know. Everyone is welcome! Originally, we had this scheduled for 1/23 but had to move it back due to scheduling issues.

I will also be holding two educational workshops explaining Medicare in detail, including the different parts, the prescription drug plan and coverage gap, Medicare Advantage in comparison to Medigap plans, etc. later in the Spring. Hopefully one will be held in May and one in early September. I will send more detailed information once it becomes available.

## **MEDIGAP PLAN F- IS IT GOING AWAY???**

A Medicare supplement (also referred to as Medigap) is an option for individuals who are enrolled in Medicare parts A and B. The Medigap plans help to cover Medicare's out of pocket costs such as deductibles, coinsurance and copays. These plans are all standardized and do not change from year to year, unlike the Medicare Advantage plans. Medigap plan F is one of the most comprehensive Medicare Supplement plans, leaving you with fewest out of pocket costs. Anyone who is eligible for Medicare before January 1, 2020 can enroll in plan F and can keep their plan for as long as they choose. I had this article in a previous newsletter but wanted to repeat it since many of my clients with plan F

are fearful that they will lose it. This is NOT the case. If you have the plan, you are grandfathered and can keep it. However, if you become eligible on or after January 1, 2020, you will not be able to purchase Medigap plan F. Plan G has been introduced by a lot of carriers. One of the main differences between plans F and G is that plan F will cover the part B deductible and plan G will not.

### WHAT IS THE MEDICARE PRESCRIPTION COVERAGE GAP???

This is frequently referred to as the "Donut Hole" and is the part of your prescription drug coverage after the end of your initial coverage period. You can get prescription coverage as part of your Medicare Advantage plan (Part C), or as a stand-alone Prescription Drug Plan (Part D). Either way, the coverage gap exists. The only way to avoid the coverage gap is if you qualify for a low-income subsidy (LIS) or Pace/Pace net, which are based on your income levels.

Initially you start out with copays for prescriptions. The copays vary depending on the type of medication it is, (i.e. generic, brand, specialty, etc.). Some plans also have a prescription deductible which mostly applies to the higher priced tiers of medications. Once the total cost of your medications is \$3820 in 2019 (this number changes each year), you will fall into the coverage gap. Total cost applies to both what you are paying as well as what the insurance company is paying.

After falling into this donut hole, you may notice the amount for your prescriptions increase. During this period, you will pay a percentage for your medications. As a result of healthcare reform, there are federally funded discounts that help with the costs. In 2019 you will pay roughly 25% for your brand name drugs and 35% for your generic drugs. You will continue in this period until **your total cost** reaches \$5100 (this number does not consider what the insurance carrier pays). This is considered the Catastrophic coverage, and at this point, your costs for your medications will be significantly reduced.

It is important to remember that everything resets each year, as Medicare is a calendar year program. Being creative and keeping track of your total costs is vital. Please refer to previous articles on how to try to lower prescription drug costs or call my office with any questions.

### WHY DO THE GOOD ONES GET AWAY???

I am sad to let you know that Cathy Delaney will be leaving my staff as of the end of February. She will be relocating to the State College area, where she has 3 sons in college. I feel very fortunate to have had her onboard helping me organize, keep all my clients informed, and most of all care and support all of you. I will be hiring someone to work part time. Due to the nature of my business it is very difficult since I want someone part time most of the year- 1 to 2 days a week but need that person to work full time from mid-September through early December due to the Annual Enrollment Period.

If any of you have any ideas of filling this position, I am all ears. I would like someone who is very people oriented and compassionate. I appreciate your suggestions.

Visit my updated website at  
[www.bluepeakinsurance.com](http://www.bluepeakinsurance.com)



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