



Medicare Special Newsletter

It is with great displeasure I have read the below email coming from Medicare and paid by the Department of Health and Human Services.

This seems to be informational, and helpful message to Medicare beneficiaries. It asks you to check out Medicare Advantage Plans from private insurance companies. The promise of lowering your out-of-pocket cost is made on the assumption that people with traditional Medicare do not have a supplement plan. A promise of extra benefits of vision, hearing and dental is so limited that it is not worth a consideration.

This email is especially troubling in this legislative climate when there is an open discussion about "helpful" ideas as reforming Medicare by vouchers, and block grants. Let's make no mistake about it. A Medicare Advantage plan is a private insurance with all its managed care rules, insurance networks, and additional cost.

In real life this is how it happens at times:

I had a phone call a few years ago from a person with troubling information. He was scheduled for heart surgery. He planned his next several weeks for hospitalization and recovery. The day before surgery he got a call from the hospital informing him that his surgery is cancelled because the doctor and hospital was not in his Managed Medicare network. It took him several weeks to mentally recover from the disbelief. When the time came to allow me to sort out his network problems, I found that the person at utilization management made a mistake. The doctor and hospital was in fact in network. We started all over again to get the authorization for his surgery in place. While in the final stage there was another mistake. The issued authorization did not match the planned procedure. This time around I caught the mistake prior to surgery and was able to correct it. That year the person dropped his Medicare Advantage policy and returned to regular Medicare.

Just like traditional Medicare, there is a \$1,364 inpatient hospitalization deductible for Medicare Advantage plans. These plans break it down to daily deductibles. However, if the person remains in the hospital long enough it will add up to the same amount.

For outpatient services a Medicare Advantage policy has a co-pay for office visits and diagnostics services. Traditional Medicare cost share is a 20% co-insurance.

Medicare Advantage plan means that one has to find an in-network provider and must get prior authorization for many outpatient services. Then pay the policy-driven cost share.

Medicare Advantage plans come in HMO, EPO and PPO choices. The HMO and EPO options have no out-of-network benefits.

Most plans have prescription coverage and some don't.

If you live in a major metropolitan area Managed Medicare is a poor choice. These plans may work in rural areas where medical providers are more willing to join insurance networks.

The most important thing one has to understand is what the plan covers, and understand the many levels of managed care rules.

If you desire to save money I suggest a careful look at the Medicare supplement options. Choosing the right product will save money without compromising the accessibility of care.

Medicare.gov

Check out Medicare Advantage

Have you looked into [Medicare Advantage Plans](#) from private insurance companies yet?

You may be able to lower your out-of-pocket costs while getting extra benefits, like vision, hearing, dental, and prescription coverage. In fact, **4 out of 5 people pay less than \$50 per month for their Medicare Advantage Plan.** This may be in addition to a Part B premium.

Compare Plans

With Medicare Advantage, you can pick from a variety of plans to get the benefits that matter most to you. And it's a way for you to combine all your Medicare health and drug coverage in a single plan.

See if you can save money by comparing all of your options with [Medicare Plan Finder](#), and choose the coverage that fits your needs and budget.

Sincerely,

The Medicare Team

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