

Medicare Annual Enrollment Period is Here!

TIPS FOR YOUR 2021 MEDICARE RENEWAL

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WELCOME TO MEDICARE'S ANNUAL ENROLLMENT season, a time when those eligible get inundated with phone calls and direct mail and everyone sees non-stop commercials about Medicare.

Why should you care? The enrollment season—October 15 to December 7—is when you can make certain changes to your Medicare coverage. Perhaps your situation has changed. Or your existing coverage has changed or premiums have increased. Plus new plans are available for 2021.

So it's important to review your options to decide if your current Medicare Plan is the right one for next year. Or is it time for a change?

MEDICARE ADVANTAGE OR MEDICARE SUPPLEMENT (MEDIGAP)?

Original Medicare Part A (Hospital) and Part B (Medical) cover many of your medical costs, but not all. It's the "but not all" that causes most seniors to purchase additional coverage: either a Medicare Advantage plan or a Medigap plan. Your first big decision is which to choose.

MEDICARE ADVANTAGE PLAN

With this plan, original Medicare Parts A and B step aside and your Medicare Advantage plan becomes your insurance coverage. **Some advantages:** *Cost*—Your premium is \$0. *Part D* Prescription Plan is built-in. *Ease* with everything covered with one card. *Extra benefits* include such things as gym, dental, vision, hearing, over-the-counter allowance. *No deductible* and *No referral* for many plans.

Some disadvantages: *Network*—You must use network doctors. *Copays* for services like Specialist—\$40, Emergency Room—\$90, MRI—\$200, Outpatient Surgery—\$250, Hospital—\$250/day for first 7 days. *Locked-in*—You may be unable to change into a Medigap program in the future.

MEDIGAP PLANS

With this plan, original Medicare is your primary coverage and Medigap is secondary. You'll also need to purchase a separate Part D prescription plan. **Some advantages:** *No network restrictions*—You can use any medical provider that participates in Medicare. *No copays!* *Peace of mind for the future.*

Some disadvantage: *Cost*—Monthly premium for a Medigap and Part D prescription plan will cost around \$150 to \$300 per month and most premiums increase each year.

HOW TO DECIDE

Consider your priorities, health and need for flexibility to help you decide.

1. What's more important to you, cost or potential out-of-pocket expenses?

Medicare Advantage keeps your premium as low as possible (\$0 premium) but there are copays.

Medigap keeps copays to a minimum but with a much higher premium

2. How is your health?

Medicare Advantage, for those in good health, your total out-of-pocket costs (premiums plus copays) will be less.

Medigap, for those who see more doctors, have many outpatient procedures and tests, the higher Medigap premium may be less than the total copays.

3. How important is flexibility?

Medicare Advantage is less flexible, since you're limited to a network and may not be able to move into Medigap in the future.

Medigap is more flexible for choice of doctors and hospitals and the option to choose plans in later years.

CHANGES TO CONSIDER DURING THE ANNUAL ENROLLMENT PERIOD

If you currently have a Medigap and Part D Plan, you may want to consider a Medicare Advantage Plan. There are several new plans for 2021 that you can learn about in a short phone call to review your options.

This is also the time to review if your Medigap premium increased substantially over the past several years. You may want to stay with Medigap but change insurance carriers—savings could be \$500 to \$1,000 a year in premiums. And review if your prescription needs have changed, requiring a change to your Part D coverage.

Each year during the Annual Enrollment Period, it's important to review your current coverage to insure it's the right plan for you for the upcoming year.

And you don't have to do that alone. Get assistance from individual insurance companies, APPRISE (PA Dept. of Aging) or an independent Medicare broker and professional. ♦

Allen Heffler is President of MyMedicareAdvisor, located in Willow Grove and Bala Cynwyd. An independent insurance broker, Allen has helped seniors with their Medicare needs for over 30 years. There's no cost, fees or charge for his services, which can be provided with a phone call to review your current coverage. 215-658-1776; MyMedicareAdvisor.

