

LEGAL EASE



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Medicare open enrollment and updates

It is that magical time of year when mailboxes of Medicare beneficiaries are stuffed with reminders about Open Enrollment. TV and radio ads on the subject abound also. Unfortunately, many beneficiaries do not realize the importance of looking at their current Medicare plans, including their prescription plans, to see if the current plan still fits with their health needs and what changes the plan may have instituted for 2018. Therefore, between October 15 and December 7, take the time to review your plans to see if any changes need to be made.

Open Enrollment is an opportunity to switch from Original Medicare to a Medicare Advantage plan or back to Original Medicare. You can also switch from one Advantage plan to another. You can also enroll in a Part D prescription drug plan if you have not enrolled in one prior to this (although late enrollment penalties may apply) or to choose another Part D plan with a formulary that may be more aligned with your current prescription medications.

If you have not received a notice of non-enrollment, and you are happy with your current plans, you do not need to do anything to keep your current plans. However, review the materials you receive because your benefits and premiums could have changed, and your current plans may not be the best available option. It pays to do a quick review to be sure.

Some other updates of which Medicare beneficiaries and their families should be aware include:

- Starting in April 2018, Medicare beneficiaries will start receiving new Medicare ID cards with a randomly generated ID number instead of a Social Security number. The card will still have the familiar red and blue stripes on a white background. All beneficiaries will have the new cards by April 2019. Destroy the old card when the new one is received; the old card is good until a new one is in hand.
- Medicare recipients will benefit from better prescription drug discounts in the gap period as the ACA has been steadily closing the “donut hole.” In 2018, enrollees will pay 35 percent of the cost of brand name drugs through to the catastrophic coverage (down from 40 percent) and 44 percent of the cost of generic drugs (down from 51 percent). The Medicare Part D deductible will be \$405 in 2018.
- Medicare Part B premiums will fluctuate in 2018. CMS has not yet set the new premiums since COLA numbers are not released until October. It is expected that there will be approximately a 2 percent increase in Social Security benefits which will translate into a Part B premium increase. There will be new income brackets for Part B enrollees with higher incomes. Enrollees with incomes between \$85,001 and \$170,000 for single persons and between \$170,001 and \$214,000 for married couples will not see any difference. Those couples with incomes higher than that may be bumped into another bracket.
- Medicare Advantage plans will continue to see changes. Most Medicare beneficiaries should receive their annual notice of change and evidence of coverage notice from their Medicare Advantage plan and Part D plans by September 30.

This is not an immediate change, but changes are coming to Medigap or Supplemental policies in 2020. Plan F, the most popular supplement plan, will be unavailable to new participants by a decision of Congress. It is suggested that consumers take a good look at Plan G.

Take advantage of Open Enrollment time to get up to speed in changes in your plans or other new information.