

Review of Medicare Coverage

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Now that the season for changing Medicare coverage is over, I think it's a good idea to review a description of some of the services for which you've signed up. Perhaps that's a bit after the fact, but it's clear that people often don't understand what they've committed to.

A. Medicare advantage plans are common in Western New York and those of you who are members of Encompass 65, Senior Choice, or Senior Blue are in such plans. We know that you have Medicare Part A and Part B; Part B is deducted from your social security check and is a requirement for an advantage plan. You might also have an additional monthly premium but that depends upon the specific program for which you signed up.

When you join a Medicare advantage plan, your Medicare benefits are assigned to that insurance company in return for which you get at least the services that Medicare would provide. Sometimes you get much more although as I write this, it's unclear whether those extra benefits will continue as now structured. For example, health club memberships are not covered by Medicare but have often been included as part of some Medicare advantage plans. Prescription drug coverage may also be included but that depends upon the specific program that you chose.

B. Medi-gap insurance is insurance which fill the holes that are left when you have original Medicare which also means that you have co payments and/or deductibles for certain services. Medi-gap policies will pay when Medicare has paid but has left some uncovered amounts because of those deductibles or co payments. Medi-gap policies do not pay for anything unless Medicare pays as well.

Medi-gap policies are standardized. There are a number of plans: Medi-gap A, Medi-gap B, etc., and each plan is the same regardless of the company from which you buy it. The obvious thing to do, then, is to decide which lettered Medi-gap policy you want and then shop around to see who has the least expensive plan. Differences in letters address areas of coverage such as the co payments for nursing home coverage. You will pay a monthly premium to the company from which you purchase.

Since the co payments in the Medicare program can be very substantial, people who retain original Medicare frequently purchase these policies. The booklet that Medicare sends out describes the various Medi-gap policies; specifics are found on line at the Medicare web site. Take a look at the chart and pick the Medi-gap plan that makes most sense for you to purchase.

If you're in a Medicare advantage plan, you won't also have a Medi-gap plan because a Medi-gap plan won't pay any deductibles or co payments in a Medicare advantage plan.

C. Medicare D is for those of you who have not joined a Medicare Advantage Plan that includes prescription drug coverage. Instead, this is the separate prescription plan passed by Congress a few years ago. Presumably, you reviewed your coverage and determined which plan would serve you best for 2010. The cost for that plan is deducted from your social security check monthly, and you typically have a deductible amount annually as well as a variable co payment for your prescriptions.

If all that I've written makes sense, great. If it doesn't, blame Congress and not this writer.