

# **Choosing a Medicare Advantage Plan: Boulder County 2010**

The following advice is designed to help you sort through the plans and decide if there is a plan option that meet your needs. This advice is generally useful to anyone looking for Medicare Advantage plans in Boulder County and particularly useful to those who are able to take advantage of several internet resources.

## **1. Check with your medical providers**

If you there is a particular doctor, hospital, skilled nursing facility, or other provider whom you wish to continue receiving care, check with their billing offices to see which, if any, Medicare Advantage Plans they accept.

Remember, with most types of Medicare Advantage Plans, if you see a provider who does not accept your particular plan, you may be limited as to the insurance coverage available to you for that visit.

## **2. Consider Part D prescription drug coverage**

Determine how you will obtain Part D coverage. Your options include:

- a. Get a Medicare Advantage Plan with Part D coverage
- b. Get a Medicare Advantage Plan without Part D coverage and get your Part D coverage through a PDP (Prescription Drug Plan) which is a “stand alone” plan offering Part D coverage.

The more medications you take, or the more expensive your drug costs, the more important it is to consider who offers you the best Part D benefit. To compare Part D coverage, you can do two comparisons. The first is a search of “stand alone” plans, the second is a search of Medicare Advantage drug plans.

- c. Go to [www.medicarebouldercounty.com](http://www.medicarebouldercounty.com) and look for instructions on how to do a Part D search at the [www.medicare.gov](http://www.medicare.gov) Part D Plan Comparison. You will need a list of the medications you are taking, the strength, and the amount. This search tool is the only way to truly know which plans will save you the most money.
- d. Once you have done a search to determine your best PDP plan choices, don't close out your search. On the same page you can perform the same type of search to compare the Part D portion of Medicare Advantage plan by clicking on “View Health Plans

in Zip Code \_\_”, located just under the words “Your Personalized Plan List”.

### **3. Consider types of plans**

Choose which type of Medicare Advantage Plan is right for you: HMO, Cost Plan, PPO, PFFS, or SNP. A description of each type follows.

Health Maintenance Organization (HMO) is a type of coordinated care plan (CCP) and is, generally, the most restrictive of the CCPs in controlling utilization and restricting the network of providers from which a consumer with Medicare can receive non-emergency services. *A member who receives medical treatment outside the network, except in an emergency, must pay the total cost of the treatment; neither the HMO nor Medicare will pay.*<sup>1</sup> If HMO offers Part D, you must take their plan.

Cost Plans are a variety of HMO in which members may receive health care services either inside the network or outside the network and without a referral; *Original Medicare will pay covered costs for services outside the network.*<sup>2</sup> Part D can be through the plan, if offered, or through a separate Part D plan.

Preferred Provider Organization (PPO) is a coordinated care plan that has a network of providers that contract with the organization offering the plan to provide health care services at a set cost; provides for reimbursement for covered health care benefits regardless of whether those services are provided within the network of providers; and is offered by an organization that is not licensed or organized under State law as an HMO. A PPO operates under many of the same rules as Medicare HMOs; however, in a PPO a member may see any doctor or other health care provider that accepts Medicare. Members do not need a referral to see a specialist or any out-of-network (non-preferred) health care provider. *Generally, however, members who receive medical treatment outside the network should expect to pay more than treatment within the network will cost.* Every PPO plan must pay for all covered services that a member receives outside the network, but each plan has different copayments. Usually, PPO members will get more benefits at lower costs than within the Original Medicare Plan.<sup>3</sup>

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<sup>1</sup> From State Health Insurance Assistance Program Colorado Division of Insurance *Medicare Advantage Plans and Other Medicare Health Plans: Colorado Options*

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

Private Fee-for-Service Plans (PFFS) are Medicare Advantage Plans offered by private companies. PFFS Plan members may receive treatment from any Medicare –approved doctor or hospital that accepts the terms of the plan’s payment and do not need a referral to see a specialist. However, *doctors are free to decide whether to accept the plan, and are free to change their minds. Seeing a doctor who doesn’t accept the plan means having no coverage.* A PFFS does not vary the rates for a provider based on the utilization of that provider’s services. A member may get extra benefits not covered under Original Medicare, such as extra days in the hospital. The PFFS, rather than Medicare, decides how much it will pay and how much the consumer will pay. PFFS plans do not have networks and do not enter into contracts with providers except starting in 2011 this will change. Providers simply agree to bill the PFFS rather than Medicare. Generally, this means that providers receive their money sooner than if the provider billed Medicare for the same services.<sup>4</sup>

Special Needs Plans (SNP) are Medicare Advantage Plans which are usually limited to and targeted to particular populations such as those in long term care facilities, or those eligible for both Medicare and Medicaid, or those with particular chronic or disabling conditions. These plans often offer benefits that have particular importance to the population they are seeking to serve.

#### **4. Get an Advantage Plan cost comparison**

The best source of detailed information on the costs of all Medicare Advantage Plans is available at [www.medicare.gov](http://www.medicare.gov). Go to [www.medicarebouldercounty.com](http://www.medicarebouldercounty.com) for instructions on how to do an Advantage Plan search comparison at Medicare’s website. In doing these searches, keep in mind the following:

- a. ***Price alone*** may not be the best indicator of what plan will be right for you. The search at [www.medicare.gov](http://www.medicare.gov) gives you a ballpark figure of estimated annual costs for someone your age and health with each plan, but it is only that – an estimate. Consumer feedback on access to care varies from plan to plan. Seeing providers who are convenient to your location and of your

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<sup>4</sup> Ibid.

choosing are not factored in. Part D costs for your particular drugs are not factored into that estimate. And your individual health situation and needs for the year ahead are and will be unique.

- b. Anytime you do a comparison, keep in mind also how Medicare Advantage plans compare to having Original Medicare with or without a Supplement. Advantage Plans are not Supplements; for more information on how they compare, see “The Big Picture” at [www.medicarebouldercounty.com](http://www.medicarebouldercounty.com).
- c. Advantage Plans must provide you with coverage at least as good as Original Medicare, and in fact generally do provide more coverage than Original Medicare alone. However, as to any specific benefit, an Advantage Plan may have better or worse coverage than Original Medicare. Be sure to note this in doing your comparisons.

## **5. Be a judicious consumer**

See the toolkit for purchasing a Medicare Advantage Plan developed by the Alabama Department of Senior Services on our website at [www.medicarebouldercounty.com](http://www.medicarebouldercounty.com). It provides excellent resources for being an aware consumer in making this important purchase including questions to ask agents and marketing red flags to watch out for. Also note the expanded section showing consumer feedback about the plans available at the [www.medicare.gov](http://www.medicare.gov) website.

## **6. Is there any protection against unlimited co-pays for expensive care?**

Some Medicare Advantage Plans include an annual out-of-pocket limit and some plans do not. This feature can provide you with some assurance of a financial limit to how much you might spend in one year. If the plan you are considering has such a limit, ask for details on how comprehensive this limit is; do they have any exceptions, and if so, on what category of expenditures.

Another more specific protection to note is how Part B out-patient drug costs are calculated. All Medicare Advantage Plans, like Original Medicare, must cover use of prescription drugs administered in an out patient setting (such as a doctor’s office). Given the high cost of certain drugs such as some chemotherapies, the cost structure for this benefit can yield very different results, depending on whether the plan requires a percentage copay (such as

20%) or a set co-pay (such as \$45). Copays for each session of expensive chemotherapy treatments can add up quickly at the 20% rate.

## **7. Volatility of marketplace**

Within the marketplace of Medicare Advantage plans, it may be worth noting that there has been significant fluctuation over the last four years, in part due to the changing environment of regulation. For instance, starting in 2011, all PFFS plans will be required to have networks of providers. How will this affect plans in 2010, the year ahead of the change? Consider asking plans you are interested in what their market share in Colorado has been over the last several years, and how have their premiums changed over several years' time?

## **8. Timelines**

The annual enrollment period for MA plans is November 15 – March 31<sup>st</sup>. If you have not had a Part D benefit before, you cannot add this component during the January – March period of annual enrollment. Initial enrollment periods are also available when you first become eligible for Medicare, as well as Special Enrollment Periods for particular circumstances, such as moving out of your MA plan's area.

## **9. Contact your local SHIP for additional assistance**

By calling your local Senior Health Assistance Program at 1-888-696-7213 (in Boulder County, the Medicare Ombudsman program at 303-441-1546), you can receive help doing these comparison searches or otherwise helping you sort through the complex Medicare Advantage Plan information.



