

# Shares with Idaho

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Senior Health Insurance Benefits Advisors (SHIBA) Program

## Getting the Word Out

Continuing on our theme of "Getting the Word Out" from our Spring Newsletter, "Please Help to Get the Word Out."

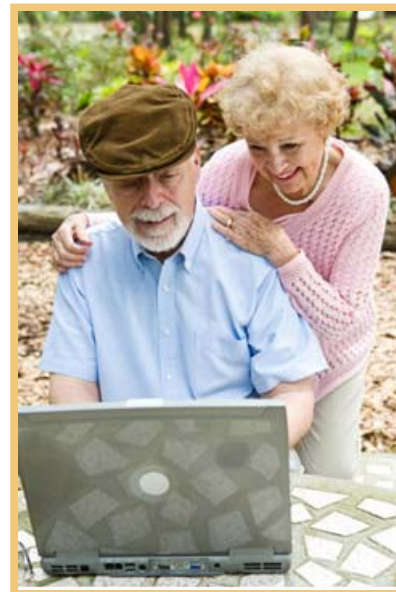
During the recent legislative session, House Bill 173 was passed. With the pass of this bill Medicare-eligible state of Idaho retirees and Medicare-eligible dependent spouses who are age 65 or over will no longer be eligible for coverage under the state's retiree medical plans effective January 1, 2010.

The key goal of the SHIBA program is to empower communities to understand the Medicare program. Many resources are available to you the retiree or to loved ones and friends who are affected by this change. We also invite you to consider becoming a volunteer to educate your community about the different Medicare programs available.

SHIBA has a "[Tip Sheet for Counseling State Retirees.](#)" SHIBA produces a "Shopper's Guide" annually that provides the names and toll-free numbers of insurance companies licensed in the state of Idaho.

For more information, see our other links:

- [How to sign up for Part D](#)
- [Differences between an Advantage Plan and a Medigap policy](#)
- [How to Choose a Medigap Policy](#)
- [Centers for Medicare & Medicaid \(CMS\)](#)



## Great News for Some

By Tamara Stricker  
SHIBA Coordinator - Twin Falls

The **Medicare Improvements to Patients and Providers Act (MIPPA)**, signed into law on July 15, 2008 encompasses significant changes and opportunities for Medicare beneficiaries, particularly those with limited income.

Starting in January 2010, pursuant to MIPPA, the Social Security Administration (SSA) will begin transmitting data from Extra Help applications to the state Medicaid agencies. Medicaid must treat

the data as though they submitted applications for the **Medicare Savings Programs (MSPs)**.

People on Medicare and with limited income/resources may be eligible for Extra Help to pay prescription drug costs, monthly premiums, annual deductibles and co-payments related to a Medicare prescription drug plan.

State medical assistance (Medicaid) offices offer MSPs. MSPs also help pay for Medicare expenses. These programs can help beneficiaries save more than \$1,100 a year by paying for  
*(continued on back page)*

## Health Insurance or Discount Health Plan?

### *Know the Difference!*

By Karen Clark  
Boise Volunteer Services Coordinator

In these trying economic times, many people are looking for affordable health insurance. Some may be led into thinking they are purchasing health insurance when, in fact, what they are purchasing is a discount on medical services. Discount cards are spreading rapidly. How do they work? Unlike health insurance policies, discount health plans do not pay medical claims for the individuals enrolled. Instead, these plans negotiate discounts with provider networks or, in some cases, with providers directly. Usually for a monthly fee these plans claim to save subscribers money by offering discounts on physician visits, hospital stays, medications, dental work and other services.

Remember, you still must pay the medical bills yourself.

Before you sign up/purchase a plan, find out if your current medical services providers participate in the plan. Ask how many providers are in your area, who they are and where they are located. You may have to travel 25 or more miles for a provider. Does the plan clearly list prices? Do they offer a clear discount over what you pay now? If you have Medicare will you still get a discount? Discount health cards may afford you little more than access to a large mailing list of medical providers. Providers do not always know they are listed and thus may not give you the promised discounts!

Find out whether your membership fee is refundable if you cancel. Ask if you can cancel at any time and what the procedures are for cancel-

ing. If you give up your current health insurance coverage you may find that you have large medical bills that will not be paid via the discount plan. More importantly, if you drop your present medical insurance plan for more than 63 days, a pre-existing condition exclusion will be imposed upon re-subscribing.

Be cautious if the salesperson or an advertisement avoids using the word "insurance," but instead says "benefits" or "coverage." Ask the salesperson if this is a plan of insurance and ask for the name of the insurance company that underwrites the plan. Check with the Department of Insurance to make certain the company is licensed in Idaho.

Because discount cards are not insurance, they are not regulated by the Department of Insurance. The salespersons might not be licensed and fewer consumer protections are available. Contact the Idaho Department of Insurance, Better Business Bureau and the Attorney General's Office to see if other consumers have complained about a discount plan you are considering or if you suspect a scam.



## Riding the "Smooth Sailing" Wave to Long-Term Care

By Nora Wells

SHIBA Long-Term Care Coordinator

A hot issue these days is long-term care...will I need it. And if so how will I pay for it? One simple answer might be long-term care (LTC) insurance. If you would like to call the shots regarding your long-term care decisions, have assets and resources you would like to protect from having to spend down to qualify for state assistance programs, would like to make sure your heirs keep your estate after you are gone, then LTC insurance could be just the ticket.

There are a variety of LTC products on the market today, so making an informed, educated decision is a must! We suggest that you:

- Compare at least three or four different companies/agents before you sign on the dotted line to ensure you are getting the best policy for your money.
- Contact at least three of the national ratings companies to be sure the company you choose has the best rating possible.
  - A.M. Best Company – 800-424-BEST or [www.ambest.com](http://www.ambest.com)
  - Fitch IBCA, Duff & Phelps, Inc. – 212-908-0800 or [www.bankwatch.com](http://www.bankwatch.com)
  - Moody's Investor Service, Inc. – 212-553-0377 or [www.moodys.com](http://www.moodys.com)
  - Standard & Poor's Insurance Rating Services – 212-488-2000 or [www.standardandpoors.com](http://www.standardandpoors.com)
  - Weiss Ratings, Inc. – 800-289-9222 or [www.WeissRatings.com](http://www.WeissRatings.com)

Long-term care decisions are not easy. We recommend you start this planning process around the family table. Take this opportunity to discuss your choices, desires and any plans you have already made with your loved ones. From here you will know that everyone who is involved in your long-term care decisions will all be on the same page.

If you would like assistance or guidance regarding your long-term care options, we invite you to contact our Long-Term Care Coordinator Nora S. Wells at 1-800-488-573. Be sure to ask her about Idaho's Long-Term Care Partnership Program. Or for more information you can visit our Website at [www.doi.idaho.gov/](http://www.doi.idaho.gov/) and click on Long-Term Care Partnership.



### Great News

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Medicare premiums, coinsurances and deductibles.

The great news regarding MIPPA is that the resource guidelines are going up for MSPs. In 2010, the asset guidelines will be the same as those for the Extra Help for prescription drug coverage.

MIPPA will prohibit states from recovering the value of Medicare cost-

sharing paid under MSPs (estate recovery). Furthermore, SSA cannot consider in-kind support and maintenance as income and, starting in 2010, will not consider the cash surrender value of life insurance policies as a resource.

For resource limits or future questions please call one of our local offices. We at SHIBA strive to keep everyone educated and updated in this constantly changing world we live in.

## Signing Up for Medicare Part B

By Stephanie McGill, Centers for Medicare & Medicaid Services (CMS)

### What is Part B (Medical Insurance)?

Medicare Part B covers services and supplies needed to diagnose or treat your medical condition—things like doctors' services, outpatient care or other medical services that Medicare Part A doesn't cover. Part B also helps cover some preventive services to help maintain your health and to keep certain illnesses from getting worse. If you don't know if you've got Part B coverage, look at your Medicare card for "MEDICAL (PART B)."

### How much will I pay for Part B?

You pay the Part B premium each month. Most people pay the standard premium amount. For 2009 the premium amount is \$96.40. Your monthly premium will be higher if your yearly income exceeds \$85,000. You also pay a Part B deductible each year before Medicare starts to pay its share (for 2009 it's \$135).

### When can I sign up for Part B?

You will automatically be enrolled starting the first day of the month you turn age 65 if you get benefits from Social Security or the Railroad Retirement Board (RRB). If you're under 65 and disabled, you'll automatically get Part B after you get disability benefits from Social Security or RRB for 24 months. You'll get your Medicare card in the mail about 3 months before your 65<sup>th</sup> birthday or your 25<sup>th</sup> month of disability benefits. **If you don't want Part B, follow the instructions that come with the card and send the card back. If you keep the card, you keep part B and will pay Part B premiums.**

If you have ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease), you automatically get Part B the month your disability benefits begin.

If you have ESRD, you can sign up for Part B when you sign up for Part A.

If you are not getting Social Security or RRB benefits, and you want to get Part B, you will need to sign up for Part B during your initial enrollment period (it begins 3 months before the month of your 65<sup>th</sup> birthday and ends 3 months after the month of your 65<sup>th</sup> birthday).

If you didn't sign up for Part B when you first became eligible, you may be able to sign up during one of these times:

- **Special Enrollment Period** if you wait to sign up for Part B because you or your spouse are **actively** working and have group health plan coverage based on that work or if you are disabled and you or a family member are working and have group health plan coverage based on that work. Retirement coverage, retirement health plans, or COBRA coverage are not considered insurance based on **active** work. You can sign up for Part B any time while you have group health plan coverage based on current employment or during the 8-month period that begins the month the employment ends, or the group health plan coverage ends, whichever happens first.
- **General Enrollment Period** from January 1-March 31 each year. Your coverage will begin on July 1.

**NOTE:** The cost of your Part B will go up 10% for each full 12-month period you could have had Part B but didn't sign up for it, unless you qualify for the **Special Enrollment Period**. You may have to pay this late-enrollment penalty as long as you have Part B. Usually you don't pay a late-enrollment penalty to sign up for Part B during a Special Enrollment Period.

#### For more information:

[www.Medicare.gov](http://www.Medicare.gov), 1-800-MEDICARE  
(1-800-633-4227)

[www.socialsecurity.gov](http://www.socialsecurity.gov), 1-800-772-1213