

Medicare Advantage (MA) and Traditional Medicare (TM): Issues & Choices

September 16, 2024 at 10:00 AM, Event to be held via Zoom.

FINANCE AND LEGAL GROUP Presented by F & L Medicare Resource Group

Registration required to attend and for a recording: https://umn.zoom.us/meeting/register/tJwodeugqj8qGdxL4-dbvxjk3_BevzrnLii

Andrew Whitman, awhitman@umn.edu FLG facilitator

Background Information and Resources

HealthPartners merits commendation for stepping forward on claim denials by UnitedHealth. Its concerns should be taken seriously and require deeper scrutiny from regulators and lawmakers.

Copyright 2024 Star Tribune: Newspaper of the Twin Cities

https://infoweb.newsbank.com/apps/news/openurl?ctx_ver=z39.88-2004&rft_id=info%3Asid/infoweb.newsbank.com&svc_dat=NewsBank&req_dat=0EBB153789FAE9E9&rft_val_format=info%3Aofi/fmt%3Akev%3Amtx%3Actx&rft_dat=document_id%3Anews%252F19B0FB0929AF6300

Two sites listed below offer comprehensive information (be careful to avoid the embedded advertisements):

<https://www.medicare.gov/plan-compare/#/?lang=en&year=2024>

<https://www.aarp.org/health/medicare-insurance/info-2019/common-medicare-mistakes.html>

Notable non-health plan and non-broker resources

- Senior Linkage, <https://mnhealthcarechoices.com/>
- MN Commerce Department, [https://mn.gov/commerce/search/?query=medicare MN](https://mn.gov/commerce/search/?query=medicare%20MN)
- Attorney General, <https://www.google.com/search?client=firefox-b-1-d&q=MN+Attorney+general+Medicare>
- National Association of Insurance Commissioners, <https://content.naic.org/search?q=medicare+advantage&btnG.x=0&btnG.y=0#gsc.tab=0&gsc.q=medicare%20advantage&gsc.page=1>
- MN Depart. of Health: For HMO, PPO, ACO, Complaint form. <https://www.health.state.mn.us/facilities/insurance/clearinghouse/complaints.html>

Michael Austin, MS, JD, Retired Department Director

Bob Hall, MBA, Carlson School, CFP. Hall is a 1984 MBA graduate of the Carlson School. He spent his career in corporate risk management and employee benefits and most recently was a personal financial counselor for military personnel.

Russell Luepker MD, Emeritus Professor, School of Public Health and School of Medicine. Luepker has a career in disease surveillance and prevention and currently serves on numerous related committees for the NIH, CDC and other national and world organizations

Andy Whitman, Ph.D., JD. Professor, Carlson School, Professor in the Carlson School. Whitman teaches and practices in areas of Corporate Risk Management, Insurance, Employee Benefits, and Personal Finance.

Purpose of our presentation

- Our goal is to provide information that will help you to make the best choice among the insurance options available. We think that more information about coverage and claim processing by insurers will help.
- Our focus is on current Medicare Advantage and Traditional Medicare Supplemental Plans. We will not discuss insurance options available to military veterans.
- We will suggest resources and approaches to take with insurers when your claim is denied, you are required to seek preauthorization before treatment, payment is delayed or you are charged excessive costs.
- Later this year, in a general UMRA session, UMN OHR will discuss changes proposed to their role with selecting health insurance plans. Their role may change in 2026.

An Educational Exercise. No Advice is Given

- This is an Educational Exercise. No advice is given.
- The materials and information are not a substitute for accounting, tax, financial or legal advice from your advisor specialists in each area.
- Links to web sites or services are not endorsements.

Medicare Advantage (MA) is a private program that is payed by medicare taxes.

- Traditional Medicare (TM) benefits not included in MA
- MA "Benefits" and Limitations
- TM supplemental plans benefits
- No coverage for long term nursing home costs
- Under new Minnesota law, spouses are not liable for the other spouse's costs.
- How to manage preauthorization before treatment or delayed payment
- What to do when faced with claim denial or excessive costs

Medicare Questions, Bob Hall

1. What is an annual notice of change in Medicare?

An Annual Notice of Change lays out how much your premiums, deductibles, and co-pays will differ in the year ahead and whether your plan will even be offered. If you're on Medicare, you'll be getting one or two Annual Notice of Change letters in your mail or email this September about your 2025 coverage and costs.

2. Does my Medicare coverage include coverage when I'm outside the United States?

Not all medical insurance covers you when you leave the U.S..

You may want to purchase separate health insurance based on your needs. Some medi-gap policies provide a benefit for emergency coverage only. Two private insurers you may want to consider for more comprehensive coverage are GeoBlue® and IMG (International Medical Group). They both offer individual international health insurance plans for all types of international travel and living abroad.

3. Where can I find a medicare and/or travel insurance broker?

One Minnesota company, Benefica, offers a service providing you with a broker contact based on your zip code. Their phone number is (651) 287-3253.

Medicare Advantage vs. Traditional Medicare

Bob Hall

PROS

- Bundled plans that consolidate Medicare coverage
- Additional benefits are often covered, like prescriptions, dental, vision and hearing
- Options for low or zero-dollar monthly premiums and reduced Part B costs

CONS

- Small networks with limited providers
- Access to health care restricted to your coverage area
- Higher copays and deductibles can make health care expensive

PROS

- Can be used anywhere in the U.S.
- Referrals generally are not needed to see a specialist
- Offers widespread coverage for those over 65, regardless of medical history

CONS

- No out-of-pocket maximum to limit health care costs
- Must purchase Part A, B and D coverage separately
- No coverage for dental, vision or hearing

Experience in Medicare Advantage - "To Good to Be True?" Bob Hall.

Ranking of MA plan positive attributes (highest to lowest)

- Zero or low premium.
- Low or zero co-pays.
- Network health care providers in another state and MN areas.
- Wellness Incentive Plan provides free health items and merchandise/gift cards
- Coverage (limited) for dental and vision care.
- The Plan website well organized and informative.
- Local Plan community center is attractive and provides senior activities and onsite assistance to answer member questions.
- If using a PPO provider, the provider submits claim to The Plan and you are only required to pay them the co-pay under the policy

Ranking of negative MA attributes

- Very limited coverage outside of U. S. (emergency room and hospital covered if admitted within 24 hours of visiting emergency room).
- Coverage could fall short if a very expensive claim requiring specialists outside of the Plan network, e.g., organ transplant.
- Unexpected health care cost. Try to determine if provider is a part of the PPO network
- “Over charges” even with low enrollee payments!

Experience -multiple diagnosis & tests, multiple codes increasing costs. Added a standard Medicare visit. Nurse asked a few questions testing memory, that was coded as G0438, PPS, INITIAL VISIT, Charges \$445, Provider responsibility \$276.37, Allowed amount \$168.63, Copay amount \$0.

- Member of Benefits Advisory Committee
- Survey of UMRA Retirees' Opinions on Insurance Plans 2/24
- HR plans for Coverage in 2026

Move Medicare Advantage to a Medicare Supplement with no underwriting and guaranteed issue. Andy Whitman

- Please see MN Statute 62A.31 subd 1u regarding guaranteed issue. Currently, there is a “trial period” where an individual may disenroll from a Medicare Advantage product within the first 12 months of their policy, and then re-enroll in a Medicare Supplement product with guaranteed issue. It should be noted that under new legislation (slated to go into effect August 1, 2026 for the 2027 calendar year), Medicare eligible individuals would have an annual open enrollment period in which they can move between or into any actively marketed Medicare Supplement plan. (According to Fred Johnson, Chief Actuary MN Commerce Department, email of July 16, 2024.)

Medicare does not cover long term nursing costs. Spouses not liable. Andy Whitman

- MN Attorney General Ellison, “Spouses will no longer be forced to pay off each other's medical debt in life or death. People won't be denied necessary medical care due to unpaid bills, and working-class Minnesotans will face fairer wage garnishment rules. This Act makes the already difficult process of bankruptcy more affordable and accessible”.
- My opinion: This may exempt a spouse from “Long term care debt and other debt” of the other spouse. I refer all to the MN Attorney General for clarification.
- For “fun” See your attorney...below are listed debt exemptions: EFFECTIVE DATE October 1, 2024. Sec. 26. [62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT. Sec. 27. [62J.807] DENIAL OF HEALTH TREATMENT OR SERVICES DUE TO OUTSTANDING MEDICAL DEBT.
- Minnesota Statutes 2022, section 519.05, is amended to read: 519.05 LIABILITY OF HUSBAND AN EFFECTIVE DATE. This section is effective October 1, 2024. Sec. 26. [62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT. Sec. 27. [62J.807] DENIAL OF HEALTH TREATMENT OR SERVICES DUE TO OUTSTANDING MEDICAL DEBT. Sec. 83.
- (a) A spouse is not liable to a creditor for any debts of the other spouse.in a proceeding under chapter 518 the court may apportion such debt between the spouses. (b) Either spouse may close a credit card account or other unsecured consumer line of credit on which both spouses are contractually liable, by giving written notice to the creditor.....
- MS 2022, section 550.37, subdivision 2, is amended to read: (exemptions from “Spend down’??)
- Subd. 2. Bible and musical instrument Sacred possessions, Minnesota Statutes 2022, section 550.37, subdivision 2, is amended to read:
- Subd. 2. Bible and musical instrument Sacred possessions. If a debtor has property of the type which would qualify for the exemption under clause
- (b), of a value in excess of \$11,250 an itemized list of the exempt property, together with the value of each item listed, shall be attached to the security agreement at the time a security interest is taken, and a creditor may take a non-purchase money security interest in the excess over \$11,250 by requiring the debtor to select the exemption in writing at the time the loan

When faced with claim denial or excessive costs

Andy Whitman

- Do not pay right away, especially not by mail with a credit card.
- Respond only in writing; you cannot prove what is said by phone.
- Obtain a Fax # and an email address to state, you are appealing this payment demand.
- Ask the medical provider to send you the medical record of your appointment.
- Go to the MN Commerce Department and the Health Department to complete the compliant forms. <https://mn.gov/commerce/consumer/file-a-complaint/>. <https://www.health.state.mn.us/facilities/insurance/managedcare/complaint/index.html>.
- Send a copy of the compliant form with your appeal. Reference anything questionable items on in the record the medical record.
- Go you county web site to complete a compliant form in Conciliation Court, sometimes called Small Claims Court, was established by Minn. Stat. § 491A.02 to allow citizens to bring their legal claims to court without expensive costs or complicated legal procedures. The limit for a claim in Conciliation Court is \$15,000.00; I use this even if my claim is over the max limit. <https://www.mncourts.gov/Find-Courts/Ramsey/RamseyCivilCourt.aspx#tab04Conciliation>.

Medicare Advantage isn't working — for anyone - STAT

<https://www.statnews.com/2024/02/28/medicare-advantage-traditional-overpayment-patient-dissatisfaction-investors/>

- ttFirst Opinion Medicare Advantage is bad for patients and bad for investors, By Wendell Potter and Philip Verhoef Feb. 28, 2024

why-do-your-prescription-drugs-cost-so-much-202401183007

- <https://www.kff.org/medicare/issue-brief/faqs-about-the-inflation-reduction-acts-medicare-drug-price-negotiation-program/>

Notable non-health plan and non-broker resources 1 minute Andy Whitman,

- Senior Linkage, <https://mnhealthcarechoices.com/>
- MN Commerce Department, <https://mn.gov/commerce/search/?query=medicare MN>
- Attorney General, <https://www.google.com/search?client=firefox-b-1-d&q=MN+Attorney+general+Medicare>
- National Association of Insurance Commissioners, <https://content.naic.org/search?q=medicare+advantage&btnG.x=0&btnG.y=0#gsc.tab=0&gsc.q=medicare%20advantage&gsc.page=1>
- MN Depart. of Health: For HMO, PPO, ACO, Complaint form. <https://www.health.state.mn.us/facilities/insurance/clearinghouse/complaints.html>

Medicare Advantage may provide coverage for some things not covered by traditional Medicare. However, as mentioned above, a [2022 report](#) found that [some Medicare Advantage insurance providers unnecessarily denied care or payments for care](#) that would have been provided to beneficiaries had they chosen traditional Medicare.

The Advantage insurance providers likewise “denied payments to providers for some services that met both Medicare coverage rules” and the organizations’ billing rules, according to the [report](#). Lawmakers on both sides of the aisle recently [introduced legislation](#) to curb frivolous denials of care by Advantage insurers. And the [Department of Health and Human Services](#) finalized rules in April 2024 to overhaul how Medicare Advantage customers get prior approval for care. The changes will take effect next year. So stay tuned and do your research when choosing an Advantage provider.

To look up Medicare’s coverage rules and other types of care and procedures, go to [Medicare.gov/coverage](https://www.medicare.gov/coverage) and use the “Is my test, item or service covered?” tool. Also see . If you believe a claim was unfairly denied, see [How to Appeal a Denied Medicare Claim](#).