

# Benefit check

## Medicare coverage and what you need to know before enrollment

INTERVIEWED BY ADAM BURROUGHS

There are many misconceptions surrounding Medicare coverage, specifically regarding the coverage it provides and the costs those insured by Medicare are responsible for. This can greatly affect the ability of Medicare-eligible individuals to make the best decision regarding their health care coverage.

“Many people do not realize that original Medicare does not have a maximum limit on out-of-pocket spending,” says Charris Nelson, a Medicare specialist at Skoda Minotti. “In order for an individual insured through Medicare to have a cap on his or her out-of-pocket expenses, that person needs another strategy. And that strategy needs to be examined closely to avoid costly mistakes.”

*Smart Business* spoke with Nelson about what consumers should know about Medicare coverage ahead of an enrollment period.

### Considering that Medicare may not cover all costs and services a person needs, what options are available to someone with Medicare coverage that will help them cover the gaps?

There are a number of ways to get coverage to fill gaps in original Medicare or get assistance with Medicare costs. While individual circumstances dictate a person’s options, available to them may be employer coverage, retiree insurance, Veteran’s Administration Benefits or Medicaid. Traditionally though, it’s through supplemental insurance provided by private health insurance companies in the form of Medigap,

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Medicare Advantage Plans and stand-alone Medicare Part D drug coverage.

There are many options — benefits, provider networks, and premiums vary between insurance companies offering them. Each individual’s circumstance is unique, so a thorough comparison of your options is necessary to determine which is most suitable.

### When is the annual enrollment period and what should those who intend to enroll understand before doing so?

For 2017 Medicare coverage, the annual enrollment period is Oct. 15, 2016, to Dec. 7, 2016.

During the annual enrollment a person can make changes to his or her Medicare coverage. It is important to stay up-to-date and carefully review the information made available by your health plan provider since it will outline changes for the upcoming year. When annual enrollment is underway, you can make the necessary changes to reflect your current health coverage needs. This may be the only opportunity during the year to do so.

### What can be changed during the annual enrollment period?

Enrollment opportunities are contingent on election periods, most



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common being the annual enrollment period. During this time, eligible individuals are making changes to their existing plans. This can be done by joining a new Medicare Advantage Plan or by joining a new stand-alone prescription drug plan. You can also switch to Original Medicare with or without a stand-alone drug plan from a Medicare Advantage Plan during this time. There are many combinations for people to consider and it can get confusing, which is why it’s a good idea to consult with an adviser.

### What can an adviser offer in terms of assistance during Medicare enrollment periods?

Approaching a Medicare decision, and comparing and exploring options, is complicated and can be overwhelming. Those approaching eligibility, or who are on Medicare, are inundated with mailings of plan options from each insurance carrier. Consulting a specialist who will take the time to explain how Medicare works — Part A, B, C, D and Medigap plans — so there is a clear understanding before enrollment is crucial. These choices are complex and their ramifications can be long lasting. Working with an experienced professional who is knowledgeable about Medicare plans can save a great deal of time and money.

Too often beneficiaries rely on information and feedback they receive from another enrollee to make their decisions. Your needs differ from that of a co-worker, neighbor, relative or spouse. This is why it is important to know your options and seek advice in order to become well-informed. ●