

## **ALERT: Medicare’s Annual “Open Enrollment Period” Starts on October 15, With Major Changes Affecting Beneficiary Choices.**

Most Medicare beneficiaries are aware of the annual October 15-December 7 “Open Enrollment” period, during which all beneficiaries can choose to enroll with, switch, or drop “Medicare Advantage” (MA) Plans and/or Part D Prescription Drug Plans.\* Plan choices made during this year’s Open Enrollment period take effect on January 1, 2020.

These enrollment choices are voluntary, and many beneficiaries choose to remain with, or return to, fee-for-service Medicare (“Original Medicare”) rather than enroll with MA Plans. Such beneficiaries often have other coverage that supplements Medicare, *e.g.*, “Medigap” insurance, although they may need a Prescription Drug Plan. Nonetheless, MA Plans are very popular, partly for reasons noted below.

The Open Enrollment period has existed since 1999. Several years later the federal Medicare agency established the online “Plan Finder” – a tool that beneficiaries, enrollment counselors and others have used extensively to help make enrollment choices.\*\* As further noted below, making informed choices has nonetheless proven to be difficult for many beneficiaries, in part because there are a large number of Plan choices, and a lot of information to consider.

Starting this year, there will be three major changes in law and policy that affect the Open Enrollment period, which may make Plan choices even more difficult: an expansion of Plans’ *Supplemental* benefits; a *new* Plan Finder tool; and a loosening of Plan advertising restrictions.

**Expanded Supplemental Benefits** – MA Plans must provide coverage for all services and supplies (“benefits”) covered by Parts A and B of Medicare.\*\*\* In addition, for many years Plans have been able to offer some “supplemental” benefits that Parts A and B *do not* cover – like some dental and/or vision benefits – so long as they were “primarily health-related.” These added benefits are attractive to many beneficiaries. Starting with the 2020 Plan year, the range of supplemental benefits MA Plans *can* offer is expanding considerably.

There are two categories of new supplemental benefits. The first was authorized by the Medicare agency’s broadening the scope of “primarily health-related,” and can now include benefits like adult day care, in-home personal care, home and bathroom safety devices and modifications, over-the-counter items, and health-related transportation. (Plans were authorized to offer such benefits last year, but few did.)

The second category, first allowed for 2020, are for *chronically ill* enrollees who are at risk of hospitalizations or other adverse health outcomes, and who require extensive care coordination. The range of benefits that can be offered include meals, special therapies, air quality equipment and pest control, food and produce, “social needs” benefits, structural home modifications, transportation, and “general supports for living. A further description of both categories can be viewed on the Medicare agency’s online “Medicare Advantage Benefits Mailbox,” <https://mabenefitsmailbox.Lmi.org>.

All these new supplemental benefits sound very attractive, especially for beneficiaries with “chronic conditions.” But **readers should be aware of at least four considerations.**

- Information is just coming out about which, if any MA Plans available to New Mexico Medicare beneficiaries will be offering any of them, and if so which ones.
- There will be as-yet unknown criteria that beneficiaries will have to satisfy to obtain each one of them.
- Plans will be able to limit how much of any particular benefit they will make available.
- Any advertisements you may see, hear, or read about these new benefits are unlikely to provide the last two types of information.

**The New Plan Finder** – The Plan Finder tool has been in use since 2005, and although it has been revised several times since then, beneficiaries and public and private beneficiary counselors have become accustomed to it. Nonetheless, beneficiaries have commonly found it difficult to use, for a variety of reasons; *including* the large number of Plan choices, lack of information about important matters (*e.g.*, whether they can choose doctors, etc. from outside the Plan), difficulties in use and understanding of important terms and information, and difficulties in making personalized cost comparisons. Problems like these were recently confirmed by the federal General Accounting Office.\*\*\*\*

Starting with this year’s Open Enrollment period, the Medicare Agency is implementing a significantly revised and restructured Plan Finder, which was not made public until the end of August. Experienced benefits counselors and other beneficiary advocates soon found problems and concerns with it, which might *increase* the difficulties many beneficiaries could experience. For one thing, as already discussed Plans may be offering a diverse array of new *supplemental* benefits which will increase the information beneficiaries will want to consider. Yet it will be necessary to look into each Plan’s coverage details to obtain such information, and it remains to be seen how much detail will be provided.

Meanwhile, some of the previously noted problems will still exist, and in some respects increase. For example, to obtain and retain fully personalized information – even their list of drugs -- beneficiaries will be required to obtain an online “MyMedicare” account. Whatever the virtues of such accounts, many beneficiaries do not want them. Beneficiaries will also get a less comprehensive estimate of their anticipated out-of-pocket costs. Other practical problems have also been identified. Moreover, the former version of Plan Finder was scheduled to end in early October once the new Plan Finder is populated with 2020 data.

In response to these critiques, the agency recently published a “Top 10 Questions & Answers” document for counselors and others helping people with their Medicare choices. The document states steps the agency is now taking to resolve or ameliorate the concerns raised. While this may be said to be better late than never, it remains to be seen to what extent this will occur.

**Plan Advertising** – As beneficiaries may be ready to undergo the difficult task of obtaining enough information to make informed Plan choices, the Medicare agency has considerably loosened past restrictions on the scope and means of Plan advertising to beneficiaries. Among this loosening is the blurring of the distinction between ‘educational’ and ‘enrollment’ activities.

Plans and their contractors and agents had been prohibited from enrolling beneficiaries at events described as educational, so that the beneficiaries have time to compare other options. That protection is now gone. **Beneficiaries are well advised – whether on their own, or with help from counselors – to carefully compare their options, rather than simply be swayed by any Plan’s or agent’s marketing activities.**

**Finally**, it’s worth noting that – in addition to the annual Open Enrollment period – there is now (since last year) a separate “**Medicare Advantage Open Enrollment Period**” beneficiaries are entitled to use. This period, which runs from January 1 through March 31 – enables beneficiaries *who are enrolled in MA Plans* (including Plans chosen during the Open Enrollment Period) *switch* MA Plans or return to Original Medicare (and obtain Part D coverage). The purpose of this period is to allow beneficiaries who find they have made an inappropriate Plan choice to leave that Plan. Choices take effect as the first of the following month, and only one switch is allowed.

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\* Beneficiaries must have Parts A and B of Medicare to enroll with MA Plans. They can have either to enroll with Part D prescription drug Plans.

\*\* Plan Finder can be accessed at the Medicare agency’s web site [www.medicare.gov](http://www.medicare.gov). The site offers the ability to “take an early look” at the *new* Plan Finder, but the “Find Health & Drug Plans” button provides the traditional link to it.

\*\*\* For a comparably short, general description of how Medicare coverage works, see the SCLO Flyer “*Medicare: A Basic Introduction*” (also posted to our website). There are *many* good sources of information of varying length and depth about how Medicare is structured and administered.

\*\*\*\* See “MEDICARE PLAN FINDER – Usability Problems and Incomplete Information Create Challenges for Beneficiaries Comparing Coverage Options,” GAO-19-627 (July 2019)

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