



# AR Systems, Inc Training Library Presents

## Medicare Advantage - Thru the Eyes of a Patient

Instructor:

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# 70 yr old female. Lives outside Chicago

- ▶ During the enrollment period - Patient was forced to re-assess her enrollment in Traditional Medicare.
- ▶ Why? Her Medicare Supplemental Insurance was having another increase. Her BCBS plan would be about \$2400 yrly plus Part B and Part D monthly premiums:
- ▶ TOTAL: If she stayed on Traditional Medicare with Medicare Plan F supplemental insurance--
- ▶ Monthly premium Part B: \$135 +  
Monthly premium Part D/drugs: \$26 +
- ▶ Monthly premium for Supplemental ins thru BCBS: \$190
- ▶ **TOTAL MONTHLY COSTS: \$351. 2018**  
**Increase in Part D & Supplemental: \$50 more 2019**

# Considerations when making a change to Medicare Advantage

- ▶ It is all about the doctors in her network.
- ▶ It is all about new monthly costs and ongoing out of pocket costs.
- ▶ She saw AARP is using United Healthcare. Felt it was a good choice to consider.
- ▶ She got a list of providers and hospitals in her area. Hospital she used was included. Her PCP was included; but she had to get a new OB/GYN.
- ▶ With these hurdles out of the way, it was time to seriously look 'at the cost.'
- ▶ **IT IS ALL ABOUT THE MONEY!**

# Cost considerations - Traditional VS United's MA

Traditional: Monthly costs = **\$351 and going up.**

- ▶ Co-pays with drugs/\$10-\$70 per month and no “cap” on out of pocket Part B \$.
- ▶ Could see any provider, travel anywhere and still be in network.
- ▶ No prior authorization process. Hospital has Medicare rules - such a 2 MN rule, Local Coverage Determination limitations, but all done internally. Provider was the same.

# AARP United Healthcare Complete PPO - 2019

Medicare Advantage: Monthly premium **is \$38.**  
(Immediate savings of approx. \$300 per month)

- ▶ There is a copayment for all services as there is no ability to have a Medicare Supplement with MA plans.
- ▶ Copayment for drugs - \$0, \$3, or \$9 - depending on the drug tier. Some tier 2 drugs can be up to \$70
- ▶ Copayment for doctor appts- \$10 primary care, \$40 specialists.
- ▶ Lab tests are capped at \$5 each
- ▶ Outpt procedures are capped at \$295 each. Copayment for the doctor cap \$25. Pre-op testing cap \$5
- ▶ Allowance of \$60 monthly for over the counter meds. Order from United's website.

2018

- ▶ **VOLUME**: Economies of Scale - huge power when negotiating with providers.

# More Considerations with MA

- ▶ Out of network - when traveling - is a serious issue. Emergency care would be covered but ongoing care - out of network penalties.
- ▶ Hers was a PPO , not an HMO. Prior auth for all care.
- ▶ Has deductible total out of pocket of \$3995.
- ▶ MA is paid a Per member, per month, based on subscriber's historical health record and yearly updates. MA is paid No addition money for actual services.(Think telehealth)
- ▶ Social Determinants of Health: Additional benefits for subscribers:
  - ▶ Dental insurance (not with Traditional
  - ▶ Health Club costs (not with T, keep the pt healthy)
  - ▶ Vision costs (not with T)
  - ▶ Others she has not tapped into yet...
  - ▶ She stated: Need to stay healthy but looks great

# It is not the same cost in all areas of the country

- ▶ The MA plans are sold ‘per county.’
- ▶ If there is a smaller population with less risk sharing to bring down costs to the MA plan, there could be higher costs or not sold at all.
- ▶ Choice is less with smaller counties/communities.
- ▶ Cost is different/could be higher in smaller populated areas.
- ▶ Out of network - significant as coverage is ‘community/county’ providers.
- ▶ Let’s look at Idaho:
  - ▶ Populated areas can have multiple plans.
  - ▶ Costs are approx. \$285 per month for MA plans being sold.
  - ▶ Some rural counties have no plans being sold.
  - ▶ Less provider networks to use.

# And remember - there must be a provider network for a MA plan to sell

- ▶ Crazy stories from providers
  - ▶ COLO: Resort community, small only hospital
    - ▶ Was totally unaware of a plan being sold. Many local MA plans are created and sold in communities
    - ▶ Became aware of it when patients starting telling them about their 'new Medicare.'
    - ▶ Revenue Director began research to discover -what is this plan?
    - ▶ After working thru the pt to get the contact info, she informed the MA plan they could not sell in the community without a provider network. This is not allowed - they are selling without any providers in the network. \*Told hospital they had to sign as it was in their community\*\*
  - ▶ Patients had no idea -all care would be out of network.
- Just wrong! (Told her to file complaint with CMS)



# AR Systems' Contact Info

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