

MEDICARE MANAGED CARE PLANS AVAILABLE TO MANY

Medicare-eligible individuals have the option to enroll in managed care plans in many areas of the country. These plans typically feature reduced costs, extra benefits, and little to no paperwork, but because there are some tradeoffs, Medicare recipients should carefully evaluate any plan under consideration.

FIRST, THE BASICS

Medicare HMOs combine Medicare and Medigap in a single plan. When you choose managed care, the government pays the plan you select a flat fee to administer services that qualify under Medicare. You continue to pay Part B Medicare premiums, but you no longer need to buy a Medigap policy to supplement your Medicare coverage.

Depending on the type of managed care plan you select, you may pay a small monthly premium or a small co-payment when you see a provider. That may sound like a big savings if you're currently spending thousands each year for Medigap coverage, but be prepared to make some tradeoffs. Medicare managed care plans hold down costs by limiting your choice of doctors and hospitals, restricting your access to specialists, eliminating lengthy hospital stays, and emphasizing preventive care.

MAKING AN EDUCATED CHOICE

To select the best Medicare option for you, you need to do your homework. Don't base your choice on cost alone, and don't rely solely on the plan's glossy marketing piece for plan information. CPAs recommend that you request a complete written explanation of the plan's coverage, costs, and rules. It's also a good idea to talk to family members and friends about their experiences with plans available in your area. Here are some of the factors you should consider.

Benefits and costs

Your first step is to determine what the plan covers and how much it will cost you to get the services you want. In addition to covering all the services available under Medicare's original fee-for-service plan, managed care plans typically emphasize preventive care.

Some managed care plans charge a premium in addition to the Medicare Part B premium, while

others do not. Find out the cost of monthly premiums and what co-payments you will be expected to pay. Be sure to consider added benefits as well as hidden costs.

Some Medicare managed care plans offer benefits that are not covered by Medicare's fee-for-service program, including some prescription drug coverage, vision care, hearing aids, and dental care. If these are services you typically use and pay for, take those costs into account in making your decision. It's important for you to be aware of hidden costs, however. Depending on the type of managed care plan you select, you may have to pay for all or some of that care yourself if you see a doctor outside the plan's network.

Doctors and hospital

First, find out what doctors are in the plan and what percentage are board certified. The more doctors who are board certified, the better. Board certification means they have successfully passed an examination given by a medical specialty board.

There are several varieties of managed care plans. Some are severely restrictive when it comes to seeing providers from outside the network and consulting with specialists. Others give members more freedom to get care from doctors or hospitals that are not part of the plan's network. Generally, more choice translates into higher cost.

In many managed care plans, and particularly in Medicare HMOs, you will be asked to select a primary care physician (PCP), generally a family practice doctor or an internist, who directs your care. Your PCP provides you with basic health care services, coordinates your care, and refers you to specialists when he or she determines it is medically necessary.

If you're selecting a managed care plan based on your current doctor's participation, you should be aware that the plan's rules may require your doctor to handle your treatment differently once you join the plan. For example, as a managed care patient, you may not be able to get the same prescription drugs you're using now. Discuss this with your doctor before making the switch.



Quality of care

While the quality of care is the most important feature of any managed care plan, assessing that quality is a relatively new field. The National Committee for Quality Assurance (NCQA) is a private, not-for-profit organization that assesses and reports on the quality of managed care. You can check a managed care plan's accreditation status by calling NCQA at (888) 275-7585 or by inquiring at its website, www.ncqa.org.

Good Medicare managed care plans can save you money and give you reliable care, but making a change in the way you receive and pay for healthcare should not be taken lightly. You may want to consult with a CPA who can analyze your medical needs, financial situation, and personal values to help you select a plan that meets your needs. 🌱

