



Unraveling the mysteries of Medicare

By Anne Hart

If you find yourself standing at your mailbox awash in a daily sea of flyers, letters and packets of information from insurers, two things are certain: (1) It's the last quarter of the year, and (2) you have reached the age when you are Medicare eligible or are about to be.

And there's also a third certainty: every insurance company in existence seems to want you as a client.

So you're swamped with information – and anyone who has been through this process knows that's no exaggeration – but what do you do with all of it? How can you manage to sift through dozens and dozens of promises and pledges to find the one program that is the perfect fit for you?

The answer is pretty simple: you can't. Sure, you can close your eyes and pick a program out of that pile of offers, but much as you wouldn't buy a house without seeing what's available on the market and consult-



Blake McCoy

ing a Realtor, or buy a car without test driving and kicking some tires, you shouldn't jump into just any Medicare supplemental insurance and prescription program.

There is one perfect fit for you,

but unless you're an expert in the field, you don't know what it is. It's a true conundrum.

Finding the appropriate provider is a major, life-affecting decision. It deserves the scrutiny of an unbiased professional who is not going to benefit financially from selling his or her company's own product.

That individual is a broker. To again use the real estate comparison: just as a Realtor sells all agents' listings, an insurance broker sells the products of many companies. Each of those envelopes in your mailbox represents just one company and that company's products alone. A broker can tell you about the products represented by *each* of those envelopes and more, and match your needs to what is offered by a specific company.

Blake McCoy, owner of Independent Insurance Consultants in Knoxville, is one of those brokers who charges no fees for his services. He explains that fees are paid by the

insurers, never the client, and that his goal is to meet annually – or more often depending on individual circumstances – with each client to assess and reassess.

"Medicare changes every year. It is our job to keep up with those changes and to continue to stay informed and keep our clients informed."

Medicare pays only 80 percent of medical costs. It is up to the individual to cover the additional 20 percent, and that can be done out-of-pocket or through either a Medicare supplement plan or a Medicare Advantage plan.

"One is not better than the other," McCoy explains. "They are different in structure and payment. With a Medicare supplement, also called a Medigap plan, you pay a higher premium to have low or no out-of-pocket costs.

"Medicare Advantage plans usually have less expensive premiums and some even have zero monthly

premiums, but they require co-pays and co-insurances and some include a Part D prescription plan. Medicare supplements don't include a Part D drug plan. An Advantage plan does have a maximum for co-pays and co-insurances and will not exceed that amount."

McCoy cautions that "Medicare is not one size fits all, even in families. Often we have husbands and wives on completely different plans because their situations are different. Health issues, age, drug needs, doctors, specialists and assets and income are all among the considerations that would dictate whether a husband and wife would have the same or different coverages. We always need to talk in detail with each person to assure the best coverage."

While most Medicare recipients are eligible to change policies only in the final quarter of the year, McCoy reminds that the exception to that rule is certain people who receive government assistance. "Those who are on Medicaid on TennCare can make changes year-round as their situation changes. We meet with people every day in those situations. The good news is that we can help them."