

# Last-minute tips for Medicare annual enrollment

**Clients have until Dec. 7 to make choices for 2014**

**By Mary Beth Franklin** | *November 19, 2013 - 9:37 am EST*

People who want to switch their Medicare coverage for 2014 have just a few weeks left in the annual open enrollment period, which ends Dec. 7. The choices can be overwhelming, but there are practical steps your clients can take now to make sure they have appropriate and affordable health care coverage next year.

Paula Muschler, operations manager of the Allsup Medicare Advisor, a Medicare plan selection service for consumers and financial advisers, outlined five last-minute tips for Medicare participants.

1. Identify health care needs and budget. Participants should prioritize their medical and prescription drug needs for next year, including medications and physicians.

“Too often, people focus on comparing their current plan to other plan options rather than focusing first on their needs,” Ms. Muschler said. That can be a mistake. People's health care needs change over time and their coverage may need to change as their needs evolve.

2. Compare Medicare Advantage and original Medicare options. The first decision people need to make is whether they want to use original Medicare with a stand-alone prescription drug coverage plan or an all-inclusive Medicare Advantage plan. Medicare Advantage plans are usually cheaper and often offer additional coverage, but may limit access to specific health care providers and facilities.

3. Look beyond the premiums. In addition to monthly premiums, a plan's copays and deductibles can affect your client's health care budget. Plus, some Medicare plans place restrictions on drug quantities or have preferred pharmacies, all of which can increase a client's out-of-pocket expenses.

“Look at how you are likely to use your coverage,” Ms. Muschler advised. “If you go to the doctor frequently, for example, your copays could really add up throughout the year.”

4. Consider Medicare plan quality ratings. Medicare gives each plan a rating of one to five stars. A five-star rating means that Medicare rates the plan as offering excellent quality to its members.

Although the quality rating provides important information, consumers need to keep their budget constraints in mind when selecting an appropriate Medicare plan. For example, a five-star Medicare Advantage plan may not work for someone if their doctor does not participate in it. Neither would a five-star prescription drug plan if the medication copays are prohibitive.

And sometimes, an unrated plan may not be a bad thing. Medicare does not rate new plans since they don't have enough information about them.

5. If choosing a Medicare plan is overwhelming, ask for help. Many people do not realize there are unbiased resources available to help them choose an appropriate, cost-effective Medicare plan.

“Just as people use an accountant for taxes or a financial adviser for financial planning, they're relieved to learn that Medicare plan selection services can offer them impartial help in choosing a Medicare plan,” Ms. Muschler said.

Once Medicare annual enrollment period ends on Dec. 7, beneficiaries may be able to change their coverage only in the following circumstances.

- Five-star special enrollment period: Anyone who is enrolled in a Medicare plan with fewer than five stars has a one-time opportunity to switch to a five-star Medicare Advantage plan or prescription drug Part D coverage. The five-star special enrollment period runs from Dec. 8, 2013, through Nov. 30, 2014. But not everyone will be able to take advantage of this option. Fewer than 100 five-star plan providers exist nationwide, and many people do not have access to these plans in their area.

- Medicare Advantage disenrollment period: Individuals who are dissatisfied with their Medicare Advantage plan can leave the plan and enroll in original Medicare along with a Part D prescription drug plan. The Medicare Advantage disenrollment period runs from Jan. 1 through Feb. 14, 2014. However, participants may not be guaranteed access to supplemental Medigap coverage.
- General enrollment period: Individuals who did not enroll in Medicare Part B when they were first eligible can sign up during the general enrollment period, which runs from Jan. 1 through March 31, 2014, for coverage beginning the following July 1. But they may be subject to late-enrollment penalties that can permanently boost their monthly Part B premium.
- Finally, special enrollment periods are available for those who lose coverage after moving out of a Medicare plan's service area.