

The 2021 Annual Open Enrollment Period for Medicare related plans has arrived. I am writing to give you a brief overview of what has changed in health insurance for seniors for 2022.

### **Medicare Supplement Policies**

As of 1/1/2020, Medicare Supplement Plan F cannot be sold to individuals just turning 65. Seniors are continuing to move away from Plan F and enroll in Plan G. With fewer new members entering Plan F, the premiums for Plan F are continuing to rise. Premiums for Plan G are rising but at a much slower pace.

If you would like to move to a Plan G, it is not too late. A member can move from one supplement to another any time during the calendar year. The only time that a member must change their Med Supp during Open Enrollment is when they are moving to a Medicare Advantage Plan.

### **Prescription Drug Plans**

The costs of drug plans are rising. Two plans in the Virginia market are nearly tripling in price: Anthem Enhanced and Well Care Rx Select drug plans.

Many of the plans are participating in the Insulin Savings Program. An insulin prescription refill will not cost more than \$35. A list of manufacturers participating in the program can be found on the internet. To see if your plan participates, please see your plan's summary of changes for details on your specific plan.

The changes in the drug market that I outlined last year are continuing this year. Here is a review:

- 1) Most insurance companies will usually offer 3 drug plans. One plan may have a lower premium to attract members new to Medicare. These plans will usually have a low premium but, a high deductible. It may also have a limited formulary. There are now 3-4 plans in Virginia that a senior can purchase that are less than \$25 per month and still provide good drug coverage.
- 2) Generic drugs in Tiers 1 & 2 are typically not subject to the plan deductible. Many of these drugs are provided at little to no cost to attract new members. If a member is only taking older generics, their yearly drug cost may be very low.
- 3) Much of a drug plan's cost is determined by the plan's deductible and how Tier 3, 4 and 5 drugs are priced. Please look closely at the changes to your plan at these higher tiers from year to year. The changes may look insignificant but can be costly.
- 4) Also, make sure your drugs remain in your plan's formulary from year to year.

Please review the annual change letter sent to you by your carrier. It states your new premium and any changes in the tier to your medication.

### **Medicare Advantage Plans**

2020 marked the first year where the USA has more Medicare Advantage Plan members than Medicare Supplement plan members. Ancillary benefits offered by Advantage Plans have continued to grow. In addition to medical and drug coverage, many Advantage Plans in our area provide dental, vision, and hearing aid benefits, as well as, transportation to doctors and meals after a hospitalization. These benefits are becoming richer and the benefits are more complete benefit programs rather than benefit supplements.

For 2022, one advantage plan really stands out. Anthem has joined with Kroger to offer a new Advantage plan in Richmond, Roanoke and Tide Water. The plan is an HMO and has a zero premium. In addition to medical and drug benefits, the plans provides a \$100 per month Kroger grocery card, a \$50 per month healthy food card plus \$200 per quarter of health aids purchased at Kroger, Walmart, etc. If a member fully participates, the plan will provide over \$2,500 of food and health aids during the year. It also has a \$1,000 dental benefit, \$200 toward glasses plus Silver Sneakers membership. A member must have a chronic condition to receive the food benefits. Many people will qualify.

If you have any questions or need assistance, please email me or give me a call at 804-747-1397.

John M. Simmonds