



LINDSTROM INSURANCE

EMPLOYEE BENEFITS • LIFE AND DISABILITY INSURANCE

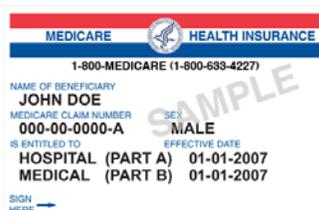
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2017 Medicare Part B Cost



The standard monthly cost for Part B this year could be either \$134/mo or \$109/mo (excluding any penalties or Income Related Adjustments). Who is paying what amount?

Since there was no “cost of living” adjustment to Social Security for 2016, last year’s higher premium (\$121.80 vs \$104.90) could not be charged to any Medicare beneficiary who had received at least 2 months of Social Security benefits during 2015. Generally those who enrolled in Medicare without taking Social Security are paying the \$134, while those who have been on Medicare for all or part of 2015 AND started receiving Social Security Benefits (November 2015 and prior) are paying \$109 per month this year.

If you receive a letter from the government advising you that you’ll be paying more than the standard premium amount, but you’ve had a decrease in your income since 2015, there is a form (SSA-44) that you can file to appeal that decision. It must be filed promptly, so we recommend taking action as soon as you hear that you’ll be charged a higher premium.

Income Related Monthly Adjustment amounts for 2017			
Yearly Income 2015 Determines your 2017 premium		Part B Monthly Premium Total	Extra Monthly Premium Part D (in addition to the stated premium)
Filing Single	Filing Jointly		
\$85,000 or less	\$170,000 or less	\$134.00	Plan Premium
\$85,000 to \$107,000	\$170,000 to \$214,000	\$187.50	\$13.30
\$107,000 to \$160,000	\$214,000 to \$320,000	\$267.90	\$34.20
\$160,000 to \$214,000	\$320,000 to \$428,000	\$348.30	\$55.20
Above \$214,000	Above \$428,000	\$428.60	\$76.20



What are the Income Related Monthly Adjustment Amounts?

Income Related Monthly Adjustment Amounts for 2017 (or IRMAA) vary based on your income in 2015. The government will charge “higher income beneficiaries” more than the standard monthly premium for Part B and Part D (or Part C, Medicare Advantage and Part D coverage).

For more information, visit the Medicare Website page:
<https://www.medicare.gov/your-medicare-costs/costs-at-a-glance/costs-at-a-glance.html#collapse-4811>

When Should I Start Enrolling in Medicare?

Medicare Parts A & B generally begin covering you the first of the month before your 65th birthday. If your birthday falls on the first of the month, coverage starts the month before your birthday. But coverage is not automatic for most people!

If you've been working and paying into the Social Security System for at least 40 quarters, Part A (hospital coverage) is "free" but Part B is not, as described earlier. If you're not going to start your Social Security Benefits until you're 66 or older, the government will not begin your Part B coverage automatically, because they need to know that you're going to pay for it! As a result, you need to contact Medicare by phone, online, or by making an appointment with the local Social Security office.

You can enroll during the three months before your birthday, the month of your birthday, or the three months following. We recommend starting as early as possible, to be certain everything goes smoothly. So if you'll be 65 in September, get started in June!

If you have group insurance (through your employment or your spouse's employment) you may not need Part B yet. It depends upon the size of the group providing benefits. Health Plans from employer groups with 20 or more employees are considered "primary" to Medicare. You may want to consider the cost and benefits of the group insurance vs the cost and benefits under Medicare and a supplement (or Medicare Advantage plan). Health Plans from employer groups with fewer than 20 employees are considered secondary to Medicare and you'll need to enroll in Part B as soon as possible. Their coverage will assume that Medicare is covering 80% of

the cost of your office visit, for example, and will only cover the remaining 20%. Even if you don't have Part B, the group plan will only cover 20% of that office visit.



Call us if you'd like to discuss Primary vs Secondary coverage. If you (or your spouse, if that's who has the group plan) elect to continue working beyond age 65 and the group insurance is primary, know that you only have an 8-month "Special" enrollment period when you leave active group coverage in order to sign up for Part B and avoid any penalties. Gaps in coverage can complicate this situation greatly. It's always smart to ask your employer for a letter confirming that you've been covered on the group insurance plan (and give the dates) before you enroll in Part B.

Once you have your Medicare ID number and effective dates for Parts A & B we can get together to discuss the options.....is a Medicare Supplement and Part D plan the right choice for you, or would you rather have an HMO plan through Part C, Medicare Advantage.

Give us a call if you're in doubt, and we can provide you with instructions for signing up on their website. We're happy to discuss all of this with you and, when you're ready, help you find the best coverage solution for your situation.



Chiropractic Coverage for Individuals Now Available

Landmark Health Plan, an HMO for Chiropractors, is now offering plans for individuals and families. There are three different benefit levels, so you can customize your coverage based on your personal needs.

Coverage is only offered when you see network providers, so we'll want to verify that your family's Chiropractor is in the Landmark Network.

To see the rates and benefits, please give us a call or visit our website at:

<https://www.lindstrominsurance.com/quotes/chiropractic-plans/>

Medicare Covers One Preventive Visit Annually!

Until recently, Medicare only had one preventive visit, called the "Welcome to Medicare" exam (during the first 12 months you have Medicare coverage). They did not cover annual preventive health visits. That has changed, and certain diagnostic and preventive tests have been added to Medicare, too.

For more information about the specific tests and when they're covered, you can read the Medicare publication "Your Guide to Medicare's Preventive Services" which can be downloaded from the Medicare website, or our website:

<http://medicaresantacruz.com/lindstrom-insurance-help-with-medicare/medicare-preventive-services/>

Or, give us a call and we can send you the guide.

Eligibility for Medicare Requires Disenrollment from Covered California

Anyone currently purchasing health insurance through Covered California needs to be aware that **Medicare coverage makes you ineligible for your current subsidized plan.**

Claims paid through Covered California plans after you have Medicare may be reversed and must be re-submitted through Medicare and your supplement, Part D, or Medicare Advantage plan. Please call us for clarification if you have any questions.

If we assisted you with your Covered California policy, we can also help you get that coverage cancelled. If you purchased coverage directly, you'll need to terminate coverage through the website or by phoning customer service at 800-300-1506. We recommend you make the call during first two weeks of the month before Medicare starts.

Life Insurance to Cover Final Expenses

Occasionally the topic comes up in conversation.....after the big life insurance policies aren't needed to cover a mortgage, the kids' college education, or a business loan, how much life insurance should we keep? Or buy? Can someone over 65 purchase life insurance?

Yes, you can purchase life insurance after 65. Coverage is available through age 80!

We can help you decide how much insurance you might want to keep in a “forever” policy that will help your family with final expenses. Policies with face amounts of \$50,000 or less generally do not require a medical exam; just answering some health questions.

Premiums are based on your age when you buy the policy, and, depending on the type of plan, won't increase after the purchase, even if you're still around at 120 years old!

Give us a call if you'd like to get a quote and discuss the options!

Moving? You can Keep Your Medicare Supplement

Most Medicare Supplement plans can continue if you move outside of California. The rates may be different depending upon your new state. And you can continue to rely on us for help with billing issues or claims questions!

Moving outside of California means your Part D, prescription plan, will need to be replaced, since California is a separate “service area”. Depending on which state you're moving to, you'll be in a new service area. Moving will give you a Special Enrollment period so you can purchase a new Part D plan in your new state.



Just a reminder, we're licensed in Oregon, too. Give us a call if you have questions about relocating.

“Open Enrollment” Periods for Medicare Explained

The Annual Election Period, or Open Enrollment period, for Parts C & D of Medicare runs October 15 through December 7 each year. Part C is the Medicare Advantage program (usually an HMO). Part D is the prescription drug benefit.

Medicare Supplements do not have a traditional Open Enrollment period. In California we have the “birthday rule”, offering a time to make plan changes the month of your birthday (sometimes the 30 days before and after your birthday, insurance company specific). The law requires that all insurance companies offering Medicare Supplements make certain plans available to you without asking medical questions. You may switch from your current plan (i.e. an “F” supplement) to any other carrier's “F” plan or a supplement with lower benefits. Some companies are more flexible than others.

Finally, there are “Special” Enrollment periods. If, for example, your Medicare Advantage plan is no longer going to be offered in your county, you will receive a letter confirming that you may purchase another Medicare Advantage plan OR a Medicare Supplement without medical underwriting.

Other Special Enrollment opportunities occur if you lose your group health insurance (due to retirement, reduction of hours, etc.), or if you move outside the service area for your current Medicare Advantage plan.