

# Experience Choice

OneExchange Newsletter for Medicare-eligible Retirees

OneExchange<sup>®</sup>  
from Towers Watson

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Welcome to the Spring/Summer 2017 edition of Experience Choice, a OneExchange newsletter addressing Medicare topics relevant to you. We strongly encourage you to review the articles in the newsletter as they address important information on changing regulations around Medicare benefits, as well as preparing for the 2018 Open Enrollment season, October 15 - December 7, 2017.

## OneExchange - Here for You Year-Round

OneExchange helped you find and enroll in a health plan—but that doesn't mean our relationship ended there. Throughout the year, should you have any questions about the plan(s) we assisted you with, or if your health insurance company can't address issues you would like to discuss, please contact one of our representatives.

OneExchange is an advocate for you and wants you to be satisfied with your health plan choices. Our Help Center is available online 24 hours a day at [Medicare.OneExchange.com/Help](http://Medicare.OneExchange.com/Help), and you can call us for assistance at 1-866-322-2824, Monday through Friday, from 8:00am - 9:00pm Eastern time.



## Prepare for Fall Open Enrollment

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Health coverage is one of the most important decisions you make every year. Plans change on an annual basis. It's important to note that as your health changes, the plan you bought might fall out of line with your needs. OneExchange will be here to help you and your family evaluate health plan options to determine if you should enroll in new coverage. Here are just a few of the services we offer to you free of charge:

- **Personalized and unbiased support.** Our licensed benefit advisors give you personalized and unbiased support in evaluating your options.
- **A large selection of quality plans.** We work with leading health insurers to provide you with a range of quality health plans, from the public marketplace and directly from private insurers. All the plans we offer are rated for value and customer service by an independent credit rating agency.
- **Easy enrollment.** Our staff helps you complete your application over the phone to save you time and simplify the enrollment process. You may also enroll in a plan online, when available.

## Helpful Decision Support Tools

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Our online tools make it easy for you to shop, compare, and select plans that fit your needs. We have three tools that help find new plans based on your information, your prescriptions, and your budget.

- **Shop & Compare.** This online tool makes it easy to evaluate health plan options. Search for plans available in your area and sort them by price, plan type, insurance company, and other factors. You can also compare many plans side by side.
- **Help Me Choose.** This intuitive tool simplifies the search process by matching you with plans that fit your needs based on answers to a few brief questions about you and your expectations for out-of-pocket costs.
- **Prescription Profiler.** This powerful tool provides the estimated annual out-of-pocket cost of plans that cover your prescriptions. Simply enter your current medications into your online personal profile to view estimates.



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## Bigger Discounts on Prescription Drugs in the Coverage Gap

The coverage gap, more frequently referred to as the “donut hole,” was put into place by Congress to limit what a Medicare Part D drug plan will cover.

While entering this coverage gap is a unsettling prospect for many retirees, you should know that only a small number of people reach this point. The most recent data found that only 19% of people in a Part D plan enter the donut hole. While the upcoming changes described below may seem small, they will translate to thousands of individuals avoiding entering the donut hole in 2018. As the threshold for entering the hole increases, even less will enter it in the future.

The Affordable Care Act (ACA) included important improvements to Medicare prescription drug coverage (Part D) such as reducing expenses for seniors in the donut hole. Every year between now and 2020, the discounts Medicare recipients receive on prescription drugs will increase, effectively making the hole “shrink”. The ACA also provides additional assistance for low-income beneficiaries. Since passage of the ACA in 2010, more than 9.4 million people with Medicare have saved over \$15 billion on prescription drugs.

For the “Standard Benefit Plan,” which is the minimum allowable plan to be offered, Medicare Part D’s initial coverage limit is rising from \$3,700 to \$3,750 in 2018. That means that previously, when your total drug costs (the combined amount of what you and your plan paid) reached \$3,700, you would enter the donut hole. In 2018, you can spend another \$50 before entering it.

While in the donut hole, Part D enrollees will pay part of the cost of the drug--and that part is shrinking. For example, in 2017, you pay 40% for brand-name drugs while in the donut hole. Next year, you will pay only 35%. In 2019, you will pay just 30%.

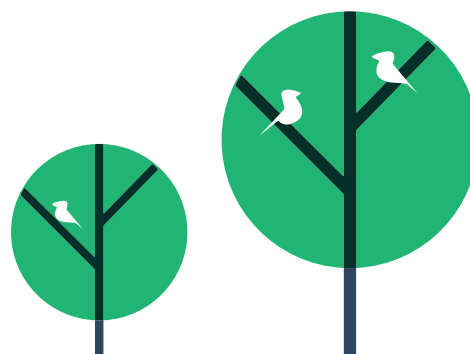
For more information on how the donut hole works, please visit our [OneExchange website Help Center](#).

## 4 Tips for Choosing Part D Prescription Drug Plan

Choosing the right prescription drug plan can be one of the most important decisions of the year. Making optimal choices can save you large sums of money and headache, while ensuring easy access to the medications you need. Here are four tips to keep in mind when shopping for a Medicare Part D Prescription Drug plan.

### 1. Shop around.

Even without major coverage changes, new and different offerings are always developing, so it might pay to do a little research every year to see if new plans have emerged that better fit your needs.



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## 2. Know your shopping window.

You have from October 15 through December 7 to shop around for a new Part D plan or change your Medicare Advantage coverage for 2018. Because most people can't change plans outside of this shopping window, it pays to be prepared.

Some Medicare members can safely remain in their current plan without increased costs from one year to the next. For others, shopping around for new and better options will save money and ensure you can continue benefiting from the Medicare program's promise of affordable and accessible health coverage.

## 3. Part D premiums aren't everything.

Part D premiums are a big part of what you will pay around prescription drugs in the coming year--but they aren't everything. Some plans offer generic drugs without copays. If those offerings apply to your medications, you could save a lot of money throughout the year.

If you think the combined amount of what you and your plan will pay for prescription drugs next year is over \$3,750, there's a chance you will enter the donut hole. With this in mind, it makes sense to examine your options. Some Part D plans offer enhanced coverage, which can include softening your cost increases when you enter the donut hole, or eliminating the donut hole altogether. Consult with the **Prescription Profiler** tool on the OneExchange website or speak with a licensed benefit advisor to see if there's a better option for you.

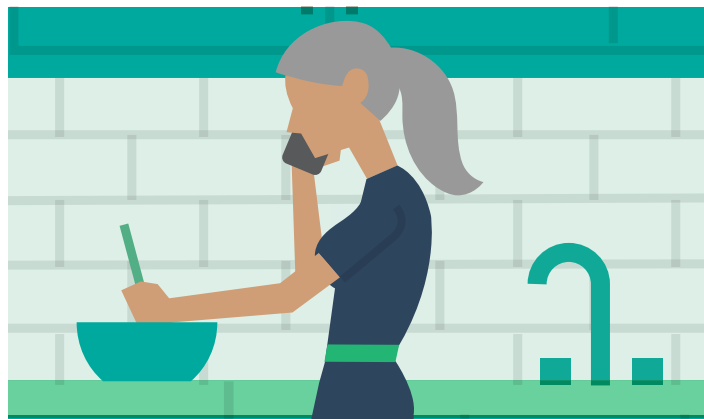
## 4. Check your Medicare Advantage plan.

If you have a Medicare Advantage plan, you usually have to receive your drug benefits through the plan rather than a separate Part D insurer.

In most of the United States, if you are a Medicare recipient receiving in and outpatient benefits (Medicare Parts A and B) through a private Medicare Advantage plan, that same insurer provides your Part D coverage. This means that when you change your Part D plan, your health and hospital benefits change, too.

If in the past year you have started taking a medication that is not regularly covered by your Medicare Advantage plan, and you anticipate taking that medication for a large portion of 2018, you might be better off switching plans. Just know that it could also affect your other benefits.

Log in to your OneExchange online account and use **Prescription Profiler** to estimate your prescription drug costs for the coming year. This online tool saves you time by working within your schedule and enables you to avoid potential hold times. You can also speak with a licensed benefit advisor by calling OneExchange to see if there's an option that better suits your needs.



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## When is Care, Observation Care?

Observation care is a designation that hospitals use when a patient is too sick to go home, but not sick enough to be designated an inpatient. Doctors will use this designation to figure out what may be wrong with a patient without officially admitting them into the hospital. It's considered an outpatient service, just like a doctor's visit, and is billed accordingly. Unfortunately, unless their care falls under a new Medicare bundled-payment category, observation patients pay a share of the cost of each test, treatment, or other service. Until recently, patients often didn't know they were in observation care until they received an unsettling surprise bill.

Under a new federal law, hospitals must now alert Medicare patients that they are receiving observation care. This can be extremely helpful not only from a cost savings perspective but also concerning the patient's health. For instance, if a patient needs further time for convalescence in a nursing home after their hospital stay, their in or outpatient status is important. Medicare requires a prior hospital admission of at least three consecutive days to cover nursing home stays. Observation time doesn't count.

For years, Medicare officials have wrestled with complaints about observation care from patients, members of Congress, doctors, and hospitals. In 2013, officials issued the "two-midnight" rule, which dictates that patients should be admitted when doctors expect them to stay in the hospital for more than two-midnights. But doctors can still opt for observation.

The reason is simple: most observation visits are less expensive for patients than even a short hospital stay.

"The observation care notice is a step in the right direction," said Stacy Sanders, federal policy director at the consumer advocacy group, Medicare Rights Center. "But it doesn't fix the conundrum some people find themselves in when they need nursing home care following an observation stay."

### Contact Us

**Go online:**

**[Medicare.OneExchange.com](https://www.Medicare.OneExchange.com)**

**Call:**

**1-866-322-2824, (TTY: 711)**

**Mon - Fri – 8:00am - 9:00pm EST**



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