

OPEN ENROLLMENT – INDIVIDUAL POLICIES UNDER 65 – NOVEMBER 1, 2020 – DECEMBER 15, 2020

This Open Enrollment (for individual policies under 65) is only 6 weeks – November 1st – December 15th for an effective date of January 1, 2021. During this time period, you can enroll in any ACA plan offered on or off the exchange with no medical questions asked. You must enroll during this time period or you will have to wait until next year to enroll during Open Enrollment. The only people allowed to enroll outside of Open Enrollment are those with certain life changing events that qualify for a SEP (Special Enrollment Period).

Blue Cross Blue Shield of Texas will continue to be the main carrier covering the entire state of Texas both on and off the exchange. They are the only carrier to have a statewide network.

If you are enrolling in a new plan or updating your plan for 2021 on Healthcare.gov., we would greatly appreciate your including our information on the “someone assisting you” page. In the Agent / Broker field please add Craig R Filip with his NPN #1166830. By entering this information, this will facilitate our being able to help you with questions about your policy, in the future. Thank you.

Keep in mind that if your income is between 100% – 400% of the federal poverty level, you may be eligible for lower premiums based on advance payments of the premium tax credit and income-based cost-sharing reductions for coverage year 2021. It is based on your family size and adjusted gross income.

Household Size	100% of FPL	400% of FPL
1	\$12,760	\$51,040
2	\$17,240	\$68,960
3	\$21,720	\$86,880
4	\$26,200	\$104,800

Call us and we will help you determine what your eligibility might be.

BCBS stated, during a recent webinar we attended, they would be making few changes to their current plans. Most plans would rollover into 2021 with minor changes. For plans using the Blue Advantage HMO network, we were told there would be only a minor rate change. The rates for all plans should be available late October.

Pay close attention to any information sent by BCBS. This packet contains any changes affecting your policy. It is necessary to take note of any actions needed regarding your 2021 Plan.

If you are looking at different plans, the most important question to ask about any plan is “what is my maximum out of pocket”? This is the maximum you would be responsible for and then the insurance company would pay the rest. If you do not have a maximum out of pocket, you do not have insurance, you have unlimited liability. Beware of limited benefit plans that will pay a specified daily amount for a hospital stay or for a medical procedure. You may have a lower premium, but it could also result in “unlimited liability”.

Grandfathered Plans – Good news! As of this date, it is our understanding that these plans will continue into 2021.

HSA Contribution Limits

	2020	2021
Individual	\$3,550	\$3,600
Family	\$7,100	\$7,200
Catch Up Contribution (55+)	\$1,000	\$1,000

Short Term Plans

Short Term plans may be an option for healthy clients (under 65) that want a lower premium. Short Term plans are not ACA (Affordable Care Act) compliant. These plans would still have a maximum out of pocket but do not include all the benefits of an ACA plan. All short term applications require medical underwriting and do not cover pre-existing conditions. Policies can be issued for one month up to three years. It allows you to apply for 3 - 12 month Short Term policies initially. Anything that happens to the client in the first 12 months is not considered pre-existing in the second and third 12 months. There is no new underwriting in years 2 and 3. Short Term plans offer a variety of deductibles to consider and have a “maximum out of pocket” which is very important.

Medicare and Medicare Supplements – For Medicare, normally, Open Enrollment is when you turn 65. On Medicare and Medicare Supplement plans, you can apply for a different Medicare Supplement plan any month during the year. You would have to answer the medical questions and be approved during underwriting. If you were on a Medicare Advantage plan, Open Enrollment begins October 15th. Part D (prescription drug coverage plans) also begins October 15th.

When you are on Medicare, with a Medicare Supplement, you have total freedom of choice to go to any doctor or hospital in the U.S. as long as they accept Medicare patients. Medicare is like a piece of swiss cheese (has holes in it such as deductibles, coinsurance, etc.) Medicare Supplement fills those holes.

When you choose a Medicare Advantage plan, Medicare is no longer responsible to take care of you. You are enrolled in a company with a specific contract to take care of you. Now you have service areas (only specific areas handle your plan). You only have specific doctors and hospitals that will honor your plan. You now have out of pocket costs and your max out of pocket might be as high as \$6,700.

Medicare and Medicare Supplements have more flexibility and freedom of choice and low or no out of pocket costs. Medicare Advantage plans tend to lack flexibility.

Beginning in 2020, Medicare did make some changes. Plan F is no longer available to new people turning 65 (with some exceptions). If you already have a Plan F, you can keep it. Instead the new norm will be Plan G. Plan G is basically the same as Plan F except that you are responsible for your \$198 (2020) Part B deductible. After you pay \$198, basically you have a Plan F. The remaining costs of Medicare approved claims would be paid.

As independent insurance brokers, we represent several Medicare Supplement companies. The plans are all standardized so there is no difference between the plans, only the rates that different companies charge for the same plan. You want a financially strong company whose rates are stabilized. You want to maintain your coverage for many years into the future. Medicare changes their deductibles. etc. which impacts the insurance companies and their rates. We represent CIGNA, AETNA, Omaha Supplemental Insurance Company (subsidiary of Mutual of Omaha) and BLUE CROSS BLUE SHIELD OF TEXAS.

Many people are now considering if they should be on a Plan G rather than a Plan F. Traditionally, we need to look at the numbers. Once you take into consideration you have to now pay the Part B deductible, Plan G can have either a lower premium or a more expensive premium. Another thing to consider is what the Part B deductible is going to look like in future years. This year it is \$198, but we have no control over what the government will do in future years.

We are here to help you sort through your options. We can compare rates between companies for both Plan F and Plan G and help you consider the tradeoffs. Some considerations are how long the company has been selling Medicare Supplements, their history and strategy in handling rate increases.

If you are out of Open Enrollment, you can apply to change to a different Medicare Supplement plan or a different company but will have to answer the health questions. If you are in good health and can answer all the questions "no", there is a good chance you will be approved. If you are trying to change plans within the same company, keep in mind, they have access to your claims history which may impact your ability to be approved on a new plan.

We are here to help you evaluate your options and get the plan of your choice. Give us a call at 972-771-6043 or email rick@filipinsurance.com.