

GRAY MATTERS: HICAP still busy as boomers seek information

Carol Harrison/For the Times-Standard

01/21/2014

The pace has slowed, but the local Health Insurance Counseling and Advocacy Program has a full schedule for the next couple of weeks.

"We served a lot of people during the open enrollment period, but there are still a number of folks (who) couldn't get in during the fall enrollment crunch," said Nancy Cloward, program manager for HICAP. "Between them and the phone calls from people finding out that their costs have changed for 2014, we'll be busy for awhile."

HICAP -- a program of Area 1 Agency on Aging -- provides free, unbiased counseling about health insurance to seniors and people with disabilities.

Its busiest season by far is Oct. 1 through Dec. 31, which includes the annual enrollment period. Volunteers and paid staff in Humboldt and Del Norte counties conducted 1,606 appointments and worksheet reviews. With phone calls included, the 11-person staff made 5,389 total contacts and saved clients more than \$776,000 by re-directing them to plans that would get them the best coverage for the lowest cost. Volunteers racked up 500 hours.

Cloward, now in her fourth month as program manager, said she fielded a call the morning of this interview from a woman who wanted to change her prescription drug plan because the premium had doubled in price, starting the first of January.

"Like many, she was inundated by the volume of mail starting in September and didn't even read it until now," Cloward said. "I had to let her know she'd be paying the higher premium for this year because it's too late to change plans."

Other folks have discovered a drug they need is no longer covered on the formulary of their current drug plan, which means it could cost much more in 2014, Cloward said.

"People who have extra help or Medi-Cal can change any month, so if they see their share of cost going up, they can still come in and switch," said Suzi Hendry, HICAP counselor and volunteer coordinator. "But I took a lot of phone calls in December from people who were just cluing in that they needed to do it. I had to say sorry, you missed the deadline."

Hendry said she's also hearing from more and more boomers who are coming to HICAP before they turn age 65 to learn about Medicare costs and benefits.

"They are trying to plan ahead as to what their retirement is going to look like," Hendry said. "In some cases, they are surprised by how much Medicare costs and what it doesn't cover."

Often, the biggest surprise, Hendry said, is that dental and vision are not covered. Neither is long-term care.

"They think they'll be fine with Medicare, then they realize that they could be blind, deaf and toothless because Medicare doesn't pay for eyeglasses, hearing aids or dental exams. Those are additional expenses they have to factor into their retirement."

According to a 2010 report by the Urban Institute, “between 2010 and 2040, median annual out-of-pocket costs for Americans age 65 and older will more than double in constant 2008 dollars, from about \$2,600 to about \$6,200. Nearly 1 in 10 older adults will spend more than \$14,000 per year on health care in 2040.”

That same report projects the share of adults age 65 and older spending more than a fifth of their household income on health care will increase from 18 percent in 2010 to 35 percent in 2030 to 45 percent in 2040.

Hendry said people who are used to individual or employer plans that are comprehensive are surprised to learn that Medicare doesn't bundle. It's Part A for hospital, Part B for medical, Part D for drugs. Then there's the Medigap plan to take care of the co-pays.

“Every component has to be dealt with separately, each with different deadlines, penalties and regulations,” Hendry said. “I've had boomers say to me, 'I'm a fairly intelligent person and this doesn't make any sense.' It's confusing.”

Another expense: monthly premiums for Medicare and the supplemental Medigap plan. Cloward said most people pay about \$200 a month for Medicare Parts A and B and a supplement.

“Medicare isn't free,” Cloward said. “It has deductibles and co-pays.”

A monthly premium of less than \$105 can be a big reduction for the self-employed who have been paying \$1,200 a month in premiums. It can also seem like a blessing to those who can't afford health insurance until they turn 65.

HICAP also helps with billing issues and coverage questions, some of which arise when Social Security increases and annual changes to the federal poverty level create awkward transitions that can bounce people off Medi-Cal or affect share of cost for short periods of time.

“That can be crucial for someone who has to go to the doctor every month and needs a full share of cost to qualify for in-home support,” Hendry said.

Cloward's bottom line: “If you have health insurance questions, we have answers, so please give us a call.”

HICAP can be reached at 444-3000.

Area 1 Agency on Aging commissioned Carol Harrison to write this article.