Rural Health News Service

Before reviewing options for next year’s Medicare coverage, it’s important to understand how Medicare fits with the Affordable Care Act often called Obamcare. With all the media attention focused on shoppers in the individual market and their troubles navigating the government’s website, it’s no wonder seniors want to know if they have to sign up somewhere to keep getting their Medicare benefits. Do they have to shop in the exchanges? What happens to their premiums?

Relax! The answer is seniors and disabled people on Medicare don’t have to do anything. The Affordable Care Act is basically aimed at people who don’t have insurance from another source. That means people whose insurance is Medicare cannot shop in the state exchanges. For that matter neither can people who have coverage from their employers, the military, or Medicaid.

Contrary to political rhetoric, the Affordable Care Act does not reduce anyone’s Medicare benefits. In fact, it calls for more coverage—free preventive services such as mammograms and annual check-ups, for example. Medicare beneficiaries have been slow to take advantage of these services.

Some beneficiaries are afraid they will be cut off from Medicare as they get older. That fear is understandable given the political talk about changing Medicare to save money for the federal government. Most of that talk centers on making “wealthier” beneficiaries pay more for their Part B (doctor and outpatient services) and Part D (drugs) benefits. But Congress has not addressed that so far this year. So the talk is, well, just talk.

What about that fear of rationing—that 90-year-olds won’t get care they need at the end of their lives. The Affordable Care Act does not allow any kind of rationing under Medicare, and there are no death panels—those imaginary end-of-life committees that scared seniors a few years back. If a procedure or service is medically necessary, then Medicare pays according to the program rules. The Affordable Care Act prohibits Medicare from using the cost effectiveness of a service or treatment to determine whether to cover it.

Seniors also want to know if can they keep their doctors and other healthcare providers. It’s easy to see why they are concerned when media outlets have been running stories about limited provider networks in the state shopping exchanges.

Depending on what supplemental insurance seniors choose to cover their Medicare coverage gaps, they may not have an unlimited choice of providers. As a trade-off for cheaper premiums, these beneficiaries may well find their choices of doctors, hospitals, and other providers are limited. That’s because insurers selling in the state exchanges have obtained large discounts from certain providers that allow them to pass the savings on to patients in the form of lower premiums. But as a trade-off for cheaper premiums, those who enroll in these plans may well find their choices of providers are limited.

But some Medicare beneficiaries also have restricted choices if they choose an HMO, a type of Medicare Advantage plan, which offers seniors a lower monthly premium than traditional Medigap policies do. There’s a catch, though. They must use providers in the insurer’s network.

If you want to choose your providers without limitations, then sticking with traditional Medigap policies is the best choice. Medigap Plans F and C cover medical expenses with minimal cost-sharing, and they are still the gold standard for many.

With a Medigap policy, you’ll have to also buy what’s called a stand-alone drug plan.

So the calculation comes down to the cost of the policy plus the cost of the drug plan and freedom to choose your providers versus restrictions and a lower monthly outlay.

There’s one big difference right now between what Obamacare shoppers and Medicare seniors face. The government’s website Medicare.gov is working while the HealthCare.gov site still has technical troubles. But that doesn’t mean Medicare shoppers will get all the information they need to make a good choice.

I looked at Medicare Advantage plan options available to beneficiaries living in one zip code area in Lincoln, Neb. Important details about the plans were missing—among them the

premium. It’s kind of hard to make a good decision without that.