

# California Anthem Individual Medicare Supplement Plans

Consumer Business Unit  
Senior Business Division  
Sales Training Department

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# California Anthem Individual Medicare Supplement Plans

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Senior Business Division  
Sales Training Department**

# Objectives

## **At the end of this lesson you will be able to:**

- List Medicare Supplement plans in California
- Explain enrollment/eligibility requirements
- Define premium and billing options
- Describe discount programs available to members
- Explain Medicare Supplement product positioning
- Locate additional resources or information

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1	Medicare Supplement Plans
2	Eligibility/Enrollment Requirements
3	Premium and Billing Options
4	Discount Programs
5	Product Positioning
6	Additional Resources

# Medicare Supplement Plans in California

## Standard Medicare Supplement plans:

- A, C, F, I, and J
- AdvantageCare Rider : Can be added to F plan only (Home Health Care and a Nursing Care Rider)
- High Deductible Medicare Supplement Plan F
  - Smart Choice
  - Smart Choice Preferred
  - Smart Choice PLUS rider : Can be added to SmartChoice plan only (Home Health Care and a Nursing Care Rider)

## Pre 65 Plans:

- A, C, F, and J

# Senior Classic Plan F : Advantage Care Rider

- Designed to help pay for costs of care:
  - During a hospital stay
  - For recovery care in the home or skill nursing facility
- Benefits
  - Up to {\$36,500} for residential or nursing facility and home health care
  - Covers costs for short term disability services, such as, recuperative care after a stroke, help with household chores, bathing and dressing
- The Advantage Care Rider is available:
  - With Plan F only
  - To applicants age 65 to 75
- To access Advantage Care Rider benefits:
  - Call Anthem Senior Services for a telephone assessment
  - Care Manager assigned to member
  - Care Plan reviewed and decision made to authorize services

# What is Offered for Senior SmartChoice and Senior SmartChoice Preferred

Benefits	Smart Choice	Preferred
Basic Benefits	X	X
Skilled Nursing Coinsurance (Days 21-100)	X	X
Part A Deductible {\$1068 in 2009}	X	X
**Foreign Travel 80% for first 60 days of trip after {\$250} deductible; lifetime max \$50,000	X	X
Part B Excess Charges 100%	X	X
**Physician Visits {\$5} copay in the <b>Prudent Buyer network</b>		X
**Vision Care {100%} standard lenses, {\$75}/frames, up to {\$95}/contacts per 24 mos; annual eye exam {\$20} copay		X
**Chiropractic Services Certain service with {\$10} copay		X
Part B Deductible {\$135 in 2009}	X	X

**\*\* These benefits are not subject to the {\$2000} annual deductible; foreign travel deductible is paid in addition to {\$2000} deductible.**

# What is Offered for Senior SmartChoice Preferred

## These covered services are not subject to the {\$2000} annual deductible

- Office visits are subject to a {\$5} copay. These copays apply to specific procedural codes and charges for physician office visits only.
- Medicare-covered chiropractic services (manual manipulation of the spine to correct subluxation) are subject to a {\$10} copay.
- Vision Care Benefits at 100% for one pair of standard eye glass lenses up to {\$75} for one pair of frames or up to {\$95} for one pair of contact lenses per 24-month period.
- Eye exam with {\$20} co-pay.
- Chiropractic Services: with a {\$10} office co-pay per visit.



# Senior SmartChoice PLUS Rider

## **The Senior SmartChoice PLUS Rider combines:**

- Benefits of Senior SmartChoice with additional coverage
  - Nursing home care
  - Home health care
  - Home support services

Note: These are services not covered by Medicare.

- Affordable plan to help cover costs of receiving care in the home, assisted living facility or nursing home.

# Senior SmartChoice PLUS Rider

## Skilled Nursing Facility Care\*

- Coverage up to \$100 per day beyond first 100 days of Medicare covered services and supplies

## Non-Skilled Nursing Facility Care\*

- Coverage at \$100 per day

## Home Health Care\*

- Coverage up to \$100 per day for home support and custodial care in the home

**\* Maximum lifetime benefit is up to \$36,500 after the waiting period and elimination period and/or home care service deductible is met.**

# Senior SmartChoice PLUS Rider

## Summary

Waiting Period	6 months
Facility Elimination Period	100 days
Deductible **	\$1000
Combined Daily Benefit Amount up to	\$100 per day
Combined Max Lifetime Benefit	\$36,500

**\*\* \$1000 deductible is only for Home Health and Support benefit. It is not for the annual deductible for the High Deductible F Plan.**

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# General Eligibility

## **Applicant must:**

- Have Medicare Parts A and B
- Reside in California at the time the plan is purchased

## **Senior SmartChoice PLUS and AdvantageCare Riders**

- Available for applicants who must be age 65-75

# General Eligibility

## Member and Spouse – to qualify for two-party rates

- To be eligible for two-party rates, the applicants must meet **one** of the follow criteria:
  - Enroll within six months of terminating their group policy
  - Enroll during their initial six-month Medicare guarantee issue period
  - Both must pass underwriting
  - Both must be enrolled in the same plan

# Service Area

Service is available in the entire state of California.

The plans are “portable”, so a member may utilize medical services anywhere in the country.

Depending on the plan selection, the rating areas may differ. Rating areas for Anthem Blue Cross of California are broken up into 6 different areas generally by county, and in some cases by zip code (LA and Santa Barbara counties). Please consult the Outline of Coverage to determine the specific rating area that a beneficiary may reside in.

# Enrollment Guidelines

## All Plans

- Individuals applying outside their Medicare Supplement open enrollment will be subject to underwriting, unless exercising a Guarantee Issue situation.
- In addition, the applicant is required to provide information relative to their Primary Care Physician, as well as prescription drugs currently prescribed. This information is reviewed to determine if a policy can be accepted.

## Senior SmartChoice Plus and AdvantageCare Rider

- There are additional underwriting requirements for these riders.



# Effective Date

Effective date is based on the application approval date. An approved application will have an effective date of the:

- 15th if the application is received between the 1st and 14th of the month
- 1st if the application is received between the 14th and 31st of the month prior

# Enrollment Dates

There is no special state requirement.

# Waiting Periods

There is a 60 day waiting period before pre-existing conditions are covered.

A pre-existing condition is a health problem that existed prior to the start date of a new insurance policy.

If you are within your Medicare Open Enrollment window or replacing an existing Medicare Supplemental plan, there is no waiting period before pre-existing conditions are covered.

# Waiting Periods

## Senior SmartChoice PLUS and AdvantageCare Rider

- 6 months waiting period
- 100 day facility elimination period

# Product Movement Guidelines

## General Guidelines

- Changes in coverage are necessary from time to time to meet the member's changing needs.
- Changes are generally classified in one of three ways: increase, decrease or same.
- Changes become effective the first of the month following receipt of the request unless a later month is requested.
- Some changes require the member to pass underwriting.
- Applicants are required to submit premium with their application.

# Product Movement Guidelines (cont)

If you are in a Medicare Advantage plan, and your plan is leaving the Medicare Program, or stops giving care in your area, or you move out of the plan's service area (does not apply to seasonal residents) Federal Guidelines give you 63 days after the date of termination to select a Medigap plan in your area.

In **California**, beneficiaries have 123 days (as of the date of termination) to select a Medigap plan from any company in the area, if the above conditions apply.

# Product Movement Guidelines (cont)

## **Birthday Rule:**

In **California**, a Medicare beneficiary is entitled to acceptance into equal or lesser value plans for 30 days beginning on their birth date.

The applicant must have a Medicare Supplement plan and provide proof of the previous coverage. Documentation of an eligible policy (plan, policy anniversary date and active coverage) must be provided before a policy will be issued.

# Product Movement Guidelines (cont)

In **California**, if your Medicare Advantage plan reduces benefits, increases the cost sharing amount, or discontinues a provider for other than good cause, you are entitled to a guaranteed issue period of 63 days.

The applicant must provide proof of the previous coverage with the application.



# Key Guidelines to Complete an Application

Ensure the following elements are adhered to in completing an application:

- Application is completed in blue or black ink.
- All questions have been answered completely.
- All changes have been initialed and dated by the applicant.
- Do not use correction fluid.
- A new attestation form is required by all agents to be submitted with each application. CA Regulation AB 2569

# Key Guidelines to Complete an Application

Below is a list of the most common application errors found for CA plans:

- Guaranteed issue rights notice missing, or no proof of G.I. status (ex. missing group coverage termination letter)
- Medicare information missing at the end of the ID #
- No premium check included with the application, for a member requesting direct billing
- Application has been altered (ex. Classic plan application has been marked with a box labeled SmartChoice)

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# Premium Rates

## **Rates are determined by:**

- Age
- Zip Code or County of Residency
- Plan selection
- Spousal discount
  - Member and spouse rates are based on the age of the older spouse as of the effective date.

**Rates are grouped in age bands and increase with age.**

# Billing Options

## Electronic Funds Transfer

- Monthly Electronic Fund Transfer and funds will be deducted the fifth (5<sup>th</sup>) or sixth (6<sup>th</sup>) of each month from a checking account.

## Direct bill

- Direct Billing on a **bi-monthly** basis (all direct billing defaults to a Bi-monthly basis unless otherwise noted).
- Direct Billing on a **quarterly** basis.
- Direct Billing on a monthly basis is **not** an option.

Applicants are required to submit a premium with their application.

Summary Billing - Consolidated billing of other Anthem (California) Senior Plan members into one statement is available

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# Discount Program

## Spousal Discount

- Available in CA for “two party” plans. The spouse or the legal partner of the eldest applicant receives a discount on the plan. Discounts vary according to the type of plan the members are enrolled in.
- Currently not advantageous when one member ages to the next rating group, as the rating is determined by the age of the eldest spouse.

# SpecialOffers

SpecialOffers@Anthem provides point of purchase discounts on products and services that help promote better health and well-being.

This program is available to all Medicare Supplement members at no extra cost.

Go to [SpecialOffers@Anthem.com](http://SpecialOffers@Anthem.com) for more details about the programs and services offered.

The screenshot displays the SpecialOffers@Anthem website interface. At the top, the logo "SpecialOffers@Anthem" is accompanied by the tagline "Provided for the health & wellness of Anthem customers" and a search bar. A navigation bar below the logo lists categories: "Family & Home", "Fitness & Health", "Vision, Hearing & Dental", and "Medicine & Treatment".

The main content area features a large promotional banner for Weight Watchers. It includes a photograph of an elderly couple smiling and the text: "Save \$10. Discover the freedom and flexibility of Weight Watchers Online -- and save \$25.80 with a 3-month Savings plan\* only \$55.00. \*Savings are calculated based upon our standard monthly plan rates, to qualify for savings, you must complete the full term of the savings plan." A "Redeem Offer" button is positioned at the bottom right of this banner.

Below the main banner, there are four smaller offer tiles, each with a "View Offer" link:

- ChocoHealthy:** "Preferred Pricing on Fitness Center Memberships and More. Take the alternative path with discounts on health and wellness products, fitness club memberships, visits to massage therapists, acupuncturists, and more."
- safebeginnings.com:** "20% off on Child Safety Products. Everything you need to babyproof your home! Choose from the largest selection of safety gates, cabinet locks, outlet covers, and window guards, as well as specialty baby and toddler items."
- HearPO:** "Save 40% Save 40% on digital hearing aids, audiology services and testing."
- GlobalFit:** "Save up to 60% on Fitness Center Memberships. With GlobalFit, you can get in shape and save! Join your choice of over 1,500 fitness clubs nationwide - including Power Shack, Lifestyles for Ladies, and select Gold's Gyms locations."



# SpecialOffers (cont.)

## Fitness and Health Services

**Jenny Craig®** — Join Jenny Craig and receive a free 30-day trial, 50% off the 6-month program and 20% off the Jenny Rewards program. Call 800-96JENNY.

**Weight Watchers®** — Take \$10 off a 3-month subscription to Weight Watchers Online.

**Lindora Lean for Life®** — Save 20% on weight loss programs and 10% on weight loss-related products. Call 800-LINDORA.

**GlobalFit™** — Shape up and get fit with membership discounts to local, regional and national fitness clubs.

**SelfHelpWorks** — Join a SelfHelpWorks online weight loss, smoking cessation, stress or alcohol management program and receive a 30 day free guest pass and a 30% discount. Call 877-719-9860.

**ChooseHealthy™** — Take the alternative path with discounts on health and wellness products, fitness club memberships, visits to massage therapists, acupuncturists, and more.

# SpecialOffers (cont.)

## Vision and Hearing

**HearPO** — Save {40%} on digital hearing aids, audiology services and testing. Call 888-HEARING.

**EyeMed** — Save {30%} on eyeglasses, {20%} on non-prescription sunglasses and enjoy discounted prices on accessories.

**TruVision™** — Pay just {\$895 to \$1895} per eye on LASIK laser vision correction and receive discounts of 15-20% and free shipping on contact lenses orders. Call 877-582-2020.

# Prescription Drug Discount Program cards

## **Discounts are given to members on the following:**

- A prescription drug discount card are given to Anthem members
- It cannot be used in conjunction with an Anthem Part D plan, but may be used for drugs not covered under Part D

# Additional Value Added Programs

## **Healthy Lifestyles** [www.FindAHealthierYou.com](http://www.FindAHealthierYou.com)

Healthy Lifestyles offers enhanced programs and services to you, including:

- A points based system to help the member focus on key behaviors like exercise, weight management, nutrition and stress management
- A Health Assessment tool that helps you determine where you stand today and how to achieve better health in the future;
- Discounted access to a fitness center network and alternative health providers like chiropractors and massage therapists;
- Enhanced planning tools for physical activity, nutrition and life skills

# Additional Value Added Programs (cont)

## **Anthem Healthy Solutions** ([www.anthem.com](http://www.anthem.com))

A series of health programs for healthy individuals and individuals with complex care. Program and services include:

- Education Initiatives for asthma; cardiovascular disease; depression; and diabetes
- Women's health and education programs
- Preventive Care benefits
- Proactive Care Management

# Additional Value Added Programs (cont)

## **MyAnthem** (anthem.com)

Online tools to track health benefits

Services include:

- Viewing coverage and benefit information
- Examining current and past claims
- Requesting ID cards
- Asking questions about benefits
- Healthcare Advisor (performance data on specific hospitals and guidance on treatment options)

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# Advantage of High Deductible Plans

High Deductible plans are designed to protect members from catastrophic costs at a much lower premium than traditional Medicare Supplements.

A High Deductible plan may marry nicely with a Health Reimbursement Account HRA or Health Savings Account (H S A).

## **Selling Points:**

- Can be a “lead” plan or rate teaser in many states
- Attractive premiums
- Effective plans for people with good health
- Same benefits as Plan F



# Savings possible with SmartChoice plans

Possible savings when comparing premium costs and doctors visits annually.

	<b>Typical F plan costs</b>	<b>SmartChoice plan costs</b>	<b>SmartChoice Preferred costs</b>
Annual Premium	{ \$128 / month = \$1,536 / yr }	{ \$27 / month = \$324 / yr }	{ \$45 / month = \$540 / yr }
Doctor visits (cost of \$70 per visit, 4 visits total)	{ \$0 }	{ \$164.00* }	{ \$20.00** }
Total costs	{ \$1,536.00 }	{ \$488.00 }	{ \$560.00 }
Total savings		{ \$1,048.00 }	{ \$976.00 }

\* \$280.00 in total costs. Member pays \$135.00 Part B deductible. The balance of the services equals \$145.00. Medicare pays 80% (\$116.00) and the member pays 20% (\$29.00). Member's cost equals \$164.00 for doctors office visits.

\*\* \$5.00 office copay for SmartChoice Preferred plan in network. Copayment does not apply to the deductible. The benefit is covered without satisfying the deductible.

# Strength of Anthem

## **Local Service, National Recognition**

- Understand needs locally
- Strength and stability of the largest health insurance company

## **Automatic Claims Filing**

- Peace of mind; no paperwork

## **Coverage that travels**

- Peace of mind; provides flexibility

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# Additional Resources

## Additional Resources include:

- Marketing Kits (with Premium Rate sheets, Outline of Coverage, and Applications)
- Websites
  - [www.anthem.com](http://www.anthem.com)
  - [www.bcbs.com](http://www.bcbs.com)
  - [www.medicare.gov](http://www.medicare.gov)
- Health Insurance Counseling & Advocacy Program (HICAP)  
[www.cahealthadvocates.org/HICAP/index.html](http://www.cahealthadvocates.org/HICAP/index.html)
- California Department of Insurance  
[www.insurance.ca.gov](http://www.insurance.ca.gov)
- Medicare Publications
  - Medicare and You
  - Choosing a Medigap policy