Health & Retirement Services of Illinois
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OUR NEWS LETTER HRSI

7 Misconceptions about Medicare

There's no way around it: Medicare is confusing. While this government-sponsored health insurance helps millions of Americans each year, it also comes with many requirements, guidelines and questions.

Here are seven myths about Medicare and the truth you might not know from Bankers Life, a national life and health insurance brand.

Myth #1: You Can Apply at 62

Many people think they'll be eligible to enroll in Medicare when they turn 62. However, the age of eligibility is typically 65. You'll have seven months (starting three months before you turn 65 and ending three months after the month you turn 65) to sign up - this is called your Initial Enrollment Period.

There are exceptions. For example, if you have a disability and qualify for benefits through Social Security Disability Insurance (SSDI), you can also get Medicare.

Myth #2: You're Automatically Enrolled at 65

If you are receiving Social Security retirement benefits or Railroad Retirement benefits, you'll be automatically enrolled in Medicare Parts A and B and will receive your Medicare card in the mail three months before your 65th birthday, or 25th month of disability.

If you aren't getting either of these types of retirement benefits, it's your responsibility to enroll in a Medicare plan by calling the Social Security Administration, visiting your local office, or applying online.

In Our Newsletter

Myth #3: Medicare Will Contact You When It's Time to Enroll

Medicare won't contact you directly when it's time to enroll. If you receive an email, call or other communication claiming to be Medicare and asking for personal information, it's likely a scam. You should never:

· Give out your Medicare card, Medicare number, Social Security card or Social Security number (except to your doctor or someone else whom you know should have it)

· Accept money or gifts for free medical care

· Let anyone besides your doctor see your medical records

· Join a Medicare plan over the phone (unless you called Medicare yourself)

If you suspect you might be involved in a scam call 1-800-MEDICARE (1-800-633-4227).

Myth #4: If You've Never Worked, You Can't Get Medicare

For many Americans, Medicare is available at no cost because they worked for 10 or more (recent) years. However, if you (or your spouse or parent) has certain medical conditions or disabilities, you may be able to receive disability benefits and Medicare Part A.

Alternatively, if you don't qualify for free Medicare, you might be able to purchase Part A. You will need to pay for it because you didn't "pay into" the federal funds that power Medicare with income tax. You'll pay either $278 or $506 each month for Part A, and will need to purchase Part B.

Myth #5: Medicare and Medicaid Are The Same

Medicare and Medicaid are separate government programs. Medicare is intended for people at retirement age or who have certain disabilities, while Medicaid primarily serves people who have low income.

Myth #6: Only Retirement Age Individuals Can Get Medicare

Medicare is available for younger people with disabilities or certain medical conditions. To qualify, you'll need to have either received SSDI for 24 months, or have either End-Stage Renal Disease, or Amyotrophic Lateral Sclerosis (ALS, also called Lou Gehrig's disease).

Myth #7: Medicare Registration Is Always Open

You're only able to enroll in a plan during Medicare's Annual Open Enrollment Period, occurring each year from October 15 to December 7 and during your personal Initial Enrollment Period.

Keep in mind that each enrollment period has strict guidelines about who qualifies and how to apply. Not following these requirements can result in penalties. Make sure you're playing by the rules. A financial advisor or licensed insurance agent can help guide you and answer any questions. (StatePoint)

9 health care trends to watch in 2024

WASHINGTON, D.C., Nov. 28 – Rising health care costs, a sharper focus on prescription drug programs, and expanded access to mental health and substance use disorder services are among the nine health and well-being Trends to Watch in 2024, Business Group on Health announced today.

Other top trends include increased concerns about cancer and other chronic conditions, heightened employer expectations of vendor partners, and greater consistency for global employers' benefit offerings, according to the Business Group, the largest non-profit organization representing employers on critical health, well-being and workforce strategy issues.

"We live in a complex and interconnected world, and diverse factors impact employers as they seek to evolve benefit offerings for their workforces," said Ellen Kelsay, president and CEO of Business Group on Health. "It will be increasingly important for their vendor partners to deliver in light of heightened expectations and accountability. Staying ahead of these trends will be paramount."

1. **Health care costs are climbing, bringing heightened vigilance by employers.**

Soaring U.S. health care costs show little sign of abating in 2024, and concerns about the affordability of medications and medical services continue to grow, despite investments in technology, clinical innovation and efforts to manage utilization and waste.

Employers, who now face a forecasted higher-than-historical cost trend, also have a greater sense of urgency concerning pricing, fueled by factors that include general inflation, labor pressures on health care systems, growing concern over provider shortages, burgeoning mental health needs, missed and deferred preventive screenings leading to more late-stage cancer diagnoses, and worsening of chronic conditions.

Expensive cell and gene therapies, along with a projected high demand for and widespread use of GLP-1s for managing diabetes and obesity, represent current and future cost drivers for self-funded employers, who seek to promote value in health care and quality of services for their members.

2. Access to mental health and substance use disorder services remains a priority, with a growing focus on emerging areas of concern.

Rates of depression are at an all-time high, according to a 2023 Gallup Poll, and employers seek to expand offerings within their plans and programs to keep up with patient support and care.

Mental health access remains an area of focus for 2024, say 70% of employers, according to Business Group on Health's 2024 Large Employer Health Care Strategy Survey. Employers will turn to virtual mental health providers, among other measures, to meet that need.

Employers also are becoming more concerned with several subcategories of emerging need including youth and adolescent mental health, substance use disorder treatment and suicide prevention. As such, vendors will be expected to collaborate in creating integrated approaches that address mental health quality, access and range of services.

3. Employers double down on cancer and other serious or chronic conditions.

Cancer remains the No. 1 cost driver for employers. Moreover, nearly half of employers expect a higher prevalence of late-stage cancers due to delayed screenings, exacerbating an already challenging scenario. In response, employers are prioritizing prevention by introducing enhanced screening options while stepping up efforts in cancer patient navigation.

Further, employers expect to see higher needs for chronic condition management; for diabetes, cardiac health and musculoskeletal conditions, a higher number of cases may be coupled with greater severity. Physician shortages and burnout further complicate matters.

In 2024, employers will emphasize a "back to basics" approach to physical health, with a renewed emphasis on prevention and primary care, to help to avoid deferred care and the associated late-stage conditions and costs. Meanwhile, advances in medical treatment may result in more personalized, precise care for employees. Employers may increasingly look to approaches such as biomarker screenings, pre-treatment genetic testing and cell/gene therapies as paths to boost patient experience and outcomes.

4. Employers express growing alarm over the sustainability of and lack of transparency into drug pricing.

One hundred percent of employers surveyed have some level of concern related to prescription drug trend, which is greatly fueling overall health care trend, according to Business Group on Health's 2024 Large Employer Health Care Strategy Survey.

Specialty medications, as well as recent innovations in the pharmacy space, have contributed to the surge in cost. Curative treatments such as cell/gene therapies come at a steep cost to employers and patients alike, while specific drugs such as GLP-1s, indicated for Type 2 diabetes and increasingly for obesity, may have more widespread use.

Most employers do not dispute the drugs' benefit for those for whom they are appropriate; their concern has to do with the cost of the therapies for both the plan and patients. Increasingly, employers have also demanded greater transparency for prescription drug pricing as well as alternative economic models including "rebate-free" programs. Without transformation within the pharmaceutical market, employer plans – and the broader health care system – may crumble under the weight of unsustainable drug pricing.

5. Employers place heightened expectations on their partners to deliver.

Employers will become more discerning in terms of vendor partnerships, in large part because of persistent concerns regarding cost, quality and outcomes. For an array of reasons many vendors and partners have struggled to deliver on the promise and potential of their solutions and capabilities.

In 2024, as employers demand greater transparency, reporting and measurement of impact, many will revisit contracts with existing partners and potentially consider changes to partner relationships. A related factor is the need to reduce fragmentation and streamline partnerships as a way to improve the employee experience and ultimately, patient outcomes.

6. Global employers implement strategies focused on greater consistency across countries, while adapting to local regulations and cultural appropriateness.

In 2024, more global employers will prioritize consistent offerings to their employees around the world, in an effort to advance key health and well-being priorities that include access to primary care, emotional well-being, coverage for family-forming services and programs in support of LGBTQ+ populations.

Increasingly, employers will look to leading-edge mechanisms such as captive insurance arrangements to create a platform to deliver consistent programs across borders. This approach will likely play out over multiple years, as employers balance consistency and governance.

As employers embark on enhancing and expanding their global health and well-being strategies, they do so as national health systems around the world face economic challenges that threaten long-term viability. In addition, as new treatments and coverage options emerge for medical conditions, employers will need to be mindful of potential shifts in responsibility from the public sector to the private sector.

7. The role of well-being continues to evolve.

Many employers now incorporate mental health, financial well-being, social health, community and job satisfaction in their well-being strategies, in addition to physical health. Simultaneously, there has been a steady increase in the number of employers that view well-being as a fundamental part of workforce strategy. As employers plan for the future, they will need to balance a continued commitment to well-being against mounting cost pressures. Also, employers are considering well-being strategies through a regional or global lens, adopting globally consistent guiding principles with relevant local-market program modifications.

8. The U.S. presidential election is impending, and it is uncertain how health care will be impacted.

The run-up to the U.S. election in November 2024 will undoubtedly impact a constellation of issues connected to employee health and well-being.

As voters head to the polls, issues that will be top of mind include the economy, taxation of benefit plans, prescription drug pricing, affordability, provider consolidation, reproductive rights, transgender care, mental health and health equity, among others.

9. ERISA turns 50 – preemption is even more important for self-insured employers.

Since 1974, ERISA (the Employee Retirement Income Security Act) and its preemption provisions have had a major role in creating an efficient and consistent structure for employer plan sponsors. By avoiding state-by-state design and administration limits and variability, preemption allows employers to curate consistent and equitable benefits packages for employees and their families, regardless of work location. However, recent state-based legal battles have brought preemption into question.

Fully 93% of employers have indicated a sense of urgency in preserving ERISA preemption, not only for consistency and administrative reasons, but also to deliver on health equity efforts in a comprehensive and nationally consistent manner.

TAKE CHARGE OF YOUR HEALTH IN THE NEW YEAR

Happy New Year! Searching for ways to stay on top of your health in 2024?

People with Medicare Part D (drug coverage) can now get even more covered vaccines, including **vaccines for RSV, shingles, whooping cough, and more** to help keep you healthy in the new year.

Medicare also covers many preventive and screening services. These services can help keep you from getting sick, and can help find health problems early when treatment is most likely to work best. Talk to your doctor about which ones might be right for you.

Here's a list of preventive and screening services

Medicare Part B (Medical Insurance)

covers:

- Abdominal aortic aneurysm screenings
- Alcohol misuse screenings & counseling
- Blood-based biomarker tests
- Cardiovascular disease screenings
- Cardiovascular disease (behavioral therapy)
- Cervical & vaginal cancer screenings
- Colorectal cancer screenings
    - Multi-target stool DNA tests
    - Screening barium enemas
    - Screening colonoscopies
    - Screening fecal occult blood tests
    - Screening flexible sigmoidoscopies
- Depression screenings
- Diabetes screenings
- Diabetes self-management training
- Flu shots
- Glaucoma tests
- Hepatitis B shots
- Hepatitis B Virus (HBV) infection screenings
- Hepatitis C screening tests
- HIV screenings
- Lung cancer screenings

- Mammograms (screening)
- Medicare Diabetes Prevention Program
- Nutrition therapy services
- Obesity screenings & counseling
- One-time “Welcome to Medicare” preventive visit
- Pneumococcal shots
- Prostate cancer screenings
- Sexually transmitted infections screenings & counseling
- Shots:
  - COVID-19 vaccines
  - Flu shots
  - Hepatitis B shots
  - Pneumococcal shots
- Tobacco use cessation counseling
- Yearly "Wellness" visit

What it is

Preventive services help you stay healthy, detect health problems early, determine the most effective treatments, and prevent certain diseases. Preventive services include exams, shots, lab tests, and screenings. They also include programs for health monitoring, and counseling and education to help you take care of your own health.

If you have Original Medicare (Part A and/or Part B), **log into your secure Medicare account** to see a personalized list of current and upcoming preventive services. If you don't already have an account, **it's free — and easy — to sign up.**

If you're in a Medicare Advantage Plan, contact your plan for a list of covered preventive services. MA Plans must cover all the same preventive services as Original Medicare, and some may offer additional services.

Auto insurance premiums set to surge in 2024

Drivers should brace for double digit increase, according to report

The new year is poised to deliver another jolt to American drivers,

as insurers are expected to raise auto insurance premiums by an average of 12.6%.

According to ValuePenguin.com, a subsidiary of LendingTree, this projected hike is the steepest since 2018. It also comes on the heels of an 11.2% increase in 2023, signaling a persistent upward trajectory.

Forecasts from ValuePenguin's State of Auto Insurance report additionally indicate a minimum 3% hike for every state in the US.

Nevada leads the pack with a projected 28% surge. Washington, Arizona, Connecticut, Louisiana, and Georgia also face substantial increases, ranging from 16% to 18%.

With these hikes, the average annual cost of auto insurance is anticipated to hit $1,984 in 2024, according to the report. Drivers in Michigan, Florida, and Nevada are set to shoulder the highest premiums, while those in Maine, New Hampshire, and Idaho are likely to see the lowest rates.

Furthermore, motorists with traffic violations are expected to see a 52% average increase in premiums.

Drivers in North Carolina, California, and Hawaii will face the most significant financial penalties, according to ValuePenguin, with violations and dangerous driving resulting in premium hikes exceeding 90%.

And while electric vehicle insurance is becoming more affordable in 2024, it remains 23% higher than coverage for traditional gasoline-powered cars. Tesla's Model X, Model 3, and Model Y stand out with the highest insurance premiums, while the Honda CR-V and Ford F-150 emerge as the most economical choices.

Americans feel pressure of rising premiums

As the burden of auto insurance becomes increasingly challenging for Americans, 54% of policyholders told ValuePenguin that they are struggling to afford coverage.

Divya Sangameshwar, an insurance expert at ValuePenguin, said the situation is set to worsen in 2024, with the rate hike surpassing that of the previous year.

She added that Gen Z drivers will be disproportionately affected by the hikes, as they face a staggering 188% increase in car insurance costs compared to their older counterparts.

The factors behind these escalating premiums include the rising cost of car repairs and replacements, despite a slowdown in inflation.

Severe weather incidents in the past year have also led to a surge in insurance claims, prompting insurers to adjust rates to reflect increased weather-related risks.

Additionally, there has been a significant uptick in car thefts since 2022, including a 700% rise in catalytic converter thefts since 2019.

MORE PEOPLE QUALIFY FOR DRUG COST SAVINGS IN 2024

Due to **a new law,** starting January 1st, more people will qualify for additional savings on their Medicare prescription drug costs. People eligible for **Extra Help** will pay $0 for their Part D plan premium, have a $0 deductible, and pay no more than $4.50 for each generic drug!

In general, individuals with an income less than $23,000 per year and couples earning less than $31,000 may qualify for Medicare's Extra Help program. **Even if you don't think you're eligible or you were denied before, it could pay to apply.**

Help with drug costs What's Extra Help?

"Extra Help" is a Medicare program to help people with limited income and resources pay

Medicare drug coverage (Part D)

premiums, deductibles, coinsurance, and other costs. What's a premium, deductible, coinsurance, or copayment?

You also won't have to pay a Part D late enrollment penalty while you get Extra Help. What's the Part D penalty?

Some people qualify for Extra Help automatically, and other people have to apply.

Extra Help isn't available in Puerto Rico, the U.S. Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa. But there are other programs available in those areas to help people with limited income and resources. Programs vary in these areas. Call your State Medical Assistance (Medicaid) office to learn more.

Who gets Extra Help automatically?

You'll get Extra Help automatically if you get:

- Full Medicaid coverage
- Help from your state paying your Part B premiums (from a

  Medicare Savings Program

- Supplemental Security Income (SSI)

  benefits from Social Security

You'll get a letter about your Extra Help. It tells you things like how much you'll pay, and your new Medicare drug plan, if you don't have one already.

If you don't automatically get Extra Help, you can apply for it:

Apply for Extra Help

Or call Social Security at 1-800-772-1213. TTY users can call 1-800-325-0778. You can also contact your local State Health Insurance Assistance Program (SHIP) to get free help applying.

You can apply for Extra Help and Medicare Savings Programs (MSPs) at the same time. These state programs provide help with other Medicare costs. Social Security will send information to your state to initiate an MSP application unless you tell them not to on the Extra Help application. Learn more about Medicare Savings Programs.

Who should apply for Extra Help?

In most cases, to qualify for Extra Help, you must have income and resources below a certain limit. These limits may go up each year.

Income and resource limits in 2023:

Your situation:	Income limit:	Resource limit: What counts in resource limits?
Individual	$21,870	$16,600
Married couple	$29,580	$33,240

What are the income and resource limits if I live in Alaska or Hawaii?

If you qualify for Extra Help We'll automatically enroll you in a

Medicare drug plan (Part D)

, if you don't have one already. We do this so you can get the cost savings you qualify for.

- You'll get a letter telling you:
  - About your new plan. You can pick a different Medicare drug plan if you want.
  - What you'll pay, depending on the "level" of Extra Help you get.
  - That you get Extra Help for the rest of the calendar year. Even if your income changes in the middle of the year, you'll keep getting Extra Help through December 31.

- If you meet the income and resource limits for next year, you'll keep getting Extra Help. We'll mail you a letter only if:
  - Your Extra Help changes.
  - You no longer qualify for Extra Help.
  - You get moved to a different plan for next year.
- **If you don't get a letter** from Medicare or Social Security, you'll keep the same level of Extra Help and same plan for next year.

What you'll pay under Extra Help in 2024

- Plan premium: $0
- Plan deductible: $0

- Prescriptions:

  - Up to $4.50 for each generic drug
  - Up to $11.20 for each brand-name drug

  Once your total drug costs **(what both you and your plan pay)** reach $8,000, you'll pay $0 for each covered drug.

If you also get full Medicaid coverage and are in the Qualified Medicare Beneficiary (QMB) program, you'll pay no more than $4.60 for each covered drug. Find out if you may qualify for QMB or other Medicare Savings Programs.

Find out if you're likely to qualify by completing the short questionnaire on SSA.gov, at the bottom of the page.

Remember, even if you don't qualify for Extra Help now, you can reapply for Extra Help any time your income and resources change.