

TRADITIONAL MEDICARE W/SUPPLEMENTAL PLAN VS. NEW MEDICARE ADVANTAGE PLAN: WHAT'S THE DEAL

Much controversy has surrounded the City's New Medicare Advantage Plan (MAP) so we're providing the differences to educate you why this can't be the only option left for retirees.

The New Plan Will Force Retirees to Pay More

1. Traditional Medicare (TM) with GHI supplemental had no copays until they were implemented in 2022 to match the copays in the new MAP. Copays are an additional burdensome cost retirees did not count on, and come amid soaring inflation.
2. The new MAP is being promoted as having a cap on out of pocket expenses of \$1,470, but retirees would have to visit the doctor 98 times to reach the cap. A cap was not an issue in Traditional Medicare because there were no copays.
3. Retiree agreements in stepped care living communities require they maintain TM and not MAP.
4. The Alliance Contract required other plans to charge a penalty premium to retirees for not choosing MAP.

The New Plan Will Make it Harder to Get Health Care

1. Under TM, members can see any doctor that accepts Medicare, but MA plans have networks—if your doctor is not in network, members may have to pay up front and hope the service is determined to be medically necessary so they get reimbursed. If you have to pay and don't get reimbursed, it doesn't count towards the cap on out of pocket expenses.
2. Not all doctors who accept Medicare have to accept the MAP.
3. The MAP requires prior authorization for tests or procedures, something that doesn't exist under TM. According to the AMA, prior authorization leads to delayed medical care and patient injury.¹
4. Providers can drop out of MAP at any time, with no advance warning—this doesn't happen with TM. This disrupts continuity of care and results from contractual issues and poor reimbursement.
5. You may not know what's covered until you are IN the plan: a recent retiree who requires a transplant could not be told if the MAP would cover the transplant. If he went into it, the Alliance told him he would be dropped to the bottom of the transplant list.
6. MAP make the decisions about rehab and skilled nursing facility admissions and length of stay; in TM, doctors make the decisions.
7. The City removed all choices of health plans from retirees. (there were 14 plans to choose from)
8. With a MAP, you can have no other insurance plan, this includes a spouse's plan or Private Part D. (drugs that exceed the Welfare Fund if available or aren't in the formulary, require the retiree to buy a private D plan.)²
9. If the CMS subsidy that funds the MAP is ever reduced, the City would have to decide to pay the difference, pass the cost to retirees or renege on the benefit altogether.

The MA Perks are Really the Pits

Perks like Fit Bits, meals, and medical rides require a "qualified event" and prior authorization and medical rides are offered through Access2Ride, which is not available in all areas, must be booked 48 hours in advance, and be within a 30-mile radius.

NOTE: The City manipulated the cost of HIP VIP, a closed plan, to \$7.50 from \$188 in order to charge retirees in other plans an additional \$191.57/month.

¹ <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf>

² The MAP requires the retiree to EXHAUST the welfare fund before the rider can be used, thereby draining the union's welfare fund. The retiree must pay \$125/month for a plan they can't use until the welfare benefit is exhausted.