

### **Lori Schoonmaker**

Hi, I'm Lori Schoonmaker, Market President for National Markets at Highmark Health Plan. Welcome back to Hitting a Higher Mark. This podcast explores topics that are transforming how healthcare is delivered, used, and paid for. In our last episode, we shared some of the incredible work that we're doing with Penn State Health. So go give it a listen if you haven't already. Today we'll be talking about healthcare plans specifically about what you should know around Medicare and Medicare Advantage. I'd like to welcome our guest Ellen Galardy, Senior Vice President of Consumer Market Strategy and Sales. Thank you for joining us, Ellen.

### **Ellen Galardy**

Thanks for having me, Lori. And I'm excited to be here today.

### **Lori Schoonmaker**

Great, great. Thank you for being here, Ellen. As we all know, health insurance can often have a reputation for being really complicated. So let's break things down. Can you start by telling us a little bit about what Medicare is?

### **Ellen Galardy**

Absolutely. So Medicare is a federal health insurance program that was started back in 1965 with the goal of providing healthcare benefits for seniors. So almost everyone has probably had that moment of anxiety and their first paycheck when they saw a big withhold amount, which is really that line for Medicare taxes. So in effect, all of us have been kind of paying for our future Medicare benefits since we first started working.

### **Lori Schoonmaker**

And who is eligible for Medicare?

### **Ellen Galardy**

So in terms of who is eligible to receive Medicare, it's generally persons who are 65 years and older, who are US residents or legal residents living in the US for at least five years. If you're under 65 and have a qualifying disability such as end-stage renal disease or ALS, also known as Lou Gehrig's disease, you may also qualify.

### **Lori Schoonmaker**

That sounds great. We know there are lots of different parts of Medicare. Can you walk us through those?

### **Ellen Galardy**

Sure. Often Medicare's referred to as kind of the ABC's of Medicare. So to give a little bit of detail about each of those. Part A, think about A as the hospital. Those are the big expenses someone might need covered. It could be a hospital stay. It could be a follow-up in nursing care after a hospital stay, let's say you have a grandparent who needs to be hospitalized, has surgery, and then goes into a skilled nursing facility. Medicare would help pick that up, as well as some in-home service. Part B of Medicare

compliments A and is really concerned with more physicians and things that you would do at a doctor's office. It could be going and seeing your primary care physician, going to see a specialist, outpatient hospital, ambulance, mental health service, diagnostic, as well as preventative care, which we all know is really important.

### **Ellen Galardy**

So if part A and part B add up to that total Medicare picture of what's covered by the medical benefits, part C adds it all together. Part C is more commonly referred to as Medicare Advantage plans. Those are private plans offered by companies like Highmark that cover everything in A, everything in B together in one plan and often add in a lot of extras too. And then the final alphabet letter is part D. D in this case is for drug. So Medicare started covering prescription drug coverage along with part D coverage more recently. And that will cover anyone's prescription drug who chooses to purchase that alongside their Medicare plan. Or if you pick a Medicare Advantage plan, have it all bundled together easily.

### **Lori Schoonmaker**

Okay. That's a lot. So Medicare part, ABC and D. Got it. Can you tell us a little bit more about C or Medicare Advantage?

### **Ellen Galardy**

Yeah. So Highmark is one of the leading providers of Medicare Advantage plans in our market. What I like best about Medicare Advantage plans is they're a lot like the coverage that you and I have today. So just like our employer offers us a whole bundle of benefits that we just get to make one choice and make sure we're covered, Medicare Advantage plans can do the same for seniors. You have everything in part A, everything in part B, but also things that really focus on keeping you healthy. So think about preventative benefits, as well as all the extras that you need to take care of the whole body, dental care, vision care, fitness benefits, hearing aids, even allowances for things like over the counter medication. It could be things like vitamins. So companies like Highmark offering Medicare Advantage plans really want to make sure that we're keeping people healthy from the start and making it as easy as possible to access that care.

### **Ellen Galardy**

We also want to make sure that we're protecting people if things go wrong. So if you have a large unforeseen cost, a Medicare Advantage plan can really help people make sure that they're not unexpected medical costs surprising their budget. So a basic Medicare plan, you may have to use something called co-insurance, which is you owe a percentage of that entire medical bill. In a Medicare Advantage plan, we protect that beneficiary against big unexpected costs by offering things like a flat co-pay. So if you go into the hospital, you know right off the bat how much you're going to pay for that service and those costs don't start to spiral. We even have costs that limit your total out of pocket in any year to make sure it never gets too high. So it can really help you not only staying healthy, but also keeping your budget healthy.

### **Lori Schoonmaker**

Wow. It certainly sounds like there are tremendous benefits of Medicare Advantage over Medicare, the traditional Medicare. You've covered a lot of those already. Anything else that you can think of that would help us to better understand the advantages of Medicare Advantage?

**Ellen Galardy**

Sure. And it's one of those that I think anyone gets asked questions about Medicare, whether you're thinking for yourself someday and figuring out your healthcare savings or sitting around the dinner table when you might get questions from older members of your family. So I think it's important to know that when it comes time to choose a Medicare plan, whether it's when you first retire from work or when you turn eligibility at 65, you want to work with someone who can help answer all of your questions at that time. Places like Highmark offer consultations with Medicare experts that you can start mapping out your Medicare journey so you can think about, let's think about the doctors that I might have today, who I might go to in the future, what time I might choose to retire. And they can help you develop a plan just like any financial plan to make sure you're on the road to success and has that one-on-one personal attention that can get you through all of those questions.

**Ellen Galardy**

That's why I really like working at Highmark, that local plan, you can meet with someone literally across the table, practically like we are now, and talk to them about your unique Medicare needs.

**Lori Schoonmaker**

Yeah, absolutely. And I know we've all had those conversations across the dinner table with a friend or a family member. We certainly want to provide as much consultative advice as we possibly can. In thinking through the factors of what someone should potentially consider when picking a health plan, obviously we're going to go through that at those consultative one-on-one sessions. But any thoughts come to mind?

**Ellen Galardy**

What I recommend is when people start thinking about Medicare, they think about their health and their budget. So when you think about your health, think about what's going on right now. Are you seeing a particular doctor? Do you sometimes see a doctor when you're out of state? Maybe you're one of those lucky enough people to get to travel to Florida for longterm vacations, or maybe have a son or daughter that live out of state and you think you might want to stay and hang out with the grandkids sometime. So thinking about that, who you get care, where you get care from, prescription drugs are all important and then making sure that you think about how it fits into your long-term budget. And don't just think about your budget for traditional healthcare, but think about, are you wearing glasses? Might you need a hearing aid someday? Are you paying for a gym membership today? It's a little known secret that a lot of seniors actually get free access to gyms nationwide as part of Medicare Advantage plans. I'm a little jealous.

**Lori Schoonmaker**

Well, it certainly sounds like there are many reasons why this be such a personal decision specific to someone's very unique circumstances and goals. Can you tell us a little bit more about why that uniqueness is so important?

### **Ellen Galardy**

I mean, everyone's medical journey is going to be unique to them. You're newly diagnosed, if you need more support. And I think it's really important to find a plan that could help you through each of those stages and not just think about what's now, but what's coming up. So we all know so many Highmark experts that stand by and help people who maybe are newly diagnosed with diabetes or want to start on a healthy living plan and get after exercise. And knowing that you've got that support, that any time something in your situation changes, that you have just one number that you can call, I think is why so many people trust plans like Highmark for their Medicare Advantage.

### **Lori Schoonmaker**

I couldn't agree more. We know that fall is often a time of all of these decisions coming together and lots of activity and fury around selecting the best plan for a senior. But can you talk a little bit about when seniors can enroll in the Medicare Advantage plans?

### **Ellen Galardy**

Sure. So every year there's something called the annual enrollment period. So between October 15th and December 7th each year is the time that anyone who's on Medicare today is allowed to shop around for a new plan and try to find one that's the right fit for them. So October 15th through December 7th is that time that if you have a loved one who's interested in switching plans, they should definitely be aware of those dates. But that's not the only time you can buy a Medicare plan. When you're first approaching your initial enrollment, when you're thinking about turning 65 or thinking about your future retirement, you should always reach out early so that you can make sure that you have uninterrupted coverage when you transition from your commercial individual plan into a Medicare option. And then if life changes just like when you're on plans today, if you move out of states or there's a big life change, call because you might find that it's actually an opportunity to switch Medicare Advantage plans then too.

### **Lori Schoonmaker**

Got it. Got it. Really important to write down those dates and certainly react to the opportunity to do that. Where can people learn a little bit more about Highmark's Medicare Advantage offerings?

### **Ellen Galardy**

Sure. We've got a really easy to use website full of examples that I think will resonate with individual circumstances and we make it easy. It's [www.medicare.highmark.com](http://www.medicare.highmark.com).

### **Lori Schoonmaker**

That's pretty easy. Well, thank you Ellen so much for joining me to walk through Medicare Advantage. To listen to the extended video version of this interview, we want to ask those listeners to visit us at [youtube.com/highmarkinc](https://youtube.com/highmarkinc). The link will be in the description of the show. I'm Lori Schoonmaker and I want to thank you again for listening to Hitting a Higher Mark.