

Life & Health Insurance Advisor



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Medicare

August 2022

Volume 14 • Number 5

Retirees Should Check Their Medicare Coverage Before Traveling

If you have Medicare and plan to travel, it's essential to check your coverage for potential gaps that could lead to expensive bills.

The coverage you'll have at your destination could vary significantly based on various factors, including your location, type of Medicare plan, and specific needs. You might be tempted to ignore it. After all, what are the chances that you'll need to use your Medicare coverage while on vacation?

According to a ValuePenguin study, the risks are not insignificant. For example, 28% of Americans said they'd gotten sick or were hurt while on vacation. Of these, 33% suffered from bacterial or food-borne issues, 27% from respiratory conditions, and 24% from bodily injuries. Another 12% stated that they got Covid while traveling.

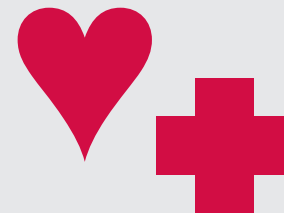
In other words, it would not be unusual for you to use your Medicare coverage while traveling. And if you don't have the right coverage, you could be in for a surprise when the bill comes.

Basic Medicare Is Sufficient for US Vacations

Basic Medicare, which includes Part A (hospital insurance) and Part B (medical insurance), will cover you anywhere in the United States. However, if you're abroad, things get a little more challenging.

With a basic Medicare plan, you're only covered overseas if you're receiving treatment on a ship no further than six hours from a US port or traveling between states, but the closest hospital is in another country.

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Why Buy Child Life Insurance?

Life insurance provides the peace of mind to know your loved ones will be taken care of financially if something happens to you. But what if something happens to your children?

The Pros of a Child Life Insurance Policy

Some parents may feel buying life insurance for a child is unnecessary and even morbid. However, there are advantages to taking out a policy on a young life, including:

- ✳ **Guaranteed future insurability:** a child life insurance policy guarantees your child will have life insurance as an adult, regardless of their health.
- ✳ **Cash value build-up:** like whole life insurance policies, child life insurance policies also build cash value for things like college tuition or a down payment on a house.
- ✳ **Funding to cover costs in the event of a tragedy:** to cover funeral costs and other expenses.
- ✳ **Funding for emergency medical needs:** some child life insurance policies also come with a rider that covers emergency medical expenses.

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If you also have a stand-alone prescription drug plan (Part D), you should know that coverage doesn't apply to medications you obtain in a foreign country.

Medigap Might Help Overseas

Medigap is a supplemental insurance policy that might help cover some of the overseas costs that Medicare doesn't, such as co-insurance and copayments. For example, Plans C, D, F, G, M, and N cover you for up to a maximum of \$50,000 in lifetime benefits. However, you're responsible for 20% of the expenses after a \$250 deductible, and coverage only applies for the first 60 days of travel.

Coverage only applies if you are experiencing a medical emergency. The Centers for Medicare & Medicaid Services specifies that there might also be other limitations. If you have an older Medigap policy (E, H, I, and J), you might have some overseas travel coverage, so check your policy documents.

Medigap policies can be expensive depending on your location, age, and other factors. For example, according to the American Association for Medicare Supplement Insurance, a 65-year-old female in New York might pay as much as \$278 for the cheapest Plan G policy, whereas the same person in Dallas would pay slightly less than \$100.

What About Advantage Plans?

Some Medicare Advantage Plans include emergency medical care overseas, but it's essential to check the details of your particular plan. Even if you're traveling within the US, there might be restrictions on the type of care you can receive.

For example, health maintenance organization (HMO) plans only cover emergency care outside of their network, meaning that you'll have to cover the costs of routine care on your own. Preferred provider organization (PPO) plans provide coverage for routine and emergency care outside their preferred network, but these services will cost more. Hybrid policies might let you get treatment from a non-network provider in certain situations.

You should also be careful if you plan on traveling outside of your Advantage Plan's service area for too long as there is a risk you will be disenrolled. Usually, you can only be outside of the service area for six months after which you're no longer covered and will be automatically enrolled in a traditional Medicare plan.

What to Remember When Traveling Abroad

Even if you have coverage, you might still have to pay any medical expenses yourself and submit a claim to Medicare when you return. So, get a detailed invoice that includes the diag-

The Cons of a Child Life Insurance Policy

Some drawbacks to consider include:

- ✱ **Low rate of return:** the rate of return on child life insurance policies is often lower than other investments.
- ✱ **Low coverage limits:** coverage is usually limited to \$50,000 or \$75,000, which will be insufficient once your child grows into an adult.
- ✱ **Long-term expense:** a child life insurance policy is a long-term expense, and you might be setting up your child to pay premiums for decades.

Your child might actually already be covered by a child rider under your life insurance policy. This option provides a small death benefit for burial and related expenses. Ultimately, the decision of whether or not to purchase child life insurance is a personal one based on your own circumstances.

nosis, treatments, and procedures performed.

If you feel your current plan's coverage is insufficient, a travel medical plan is a good alternative. Prices vary based on your age, health, destination, and length of stay. You can get a policy that will cover a single trip or provide multi-trip coverage for a set period, such as a year.

Travel medical plans usually feature a deductible of \$250 or more. Benefits range from \$50,000 to \$1 million or more, with prices ranging between \$40 and \$80. Of course, if you want coverage that lasts longer and features higher limits, expect to pay more. You should also check if the plan will cover Covid and issues arising from pre-existing health conditions.

Make sure you understand your coverage and what, if any, restrictions might be imposed on your travel plans. When you know a little more about what to expect from Medicare when traveling, you can plan ahead and avoid expensive surprises down the road. ■

What You Need to Know About Mental Health Care Insurance

Treatment for mental illness, which affects millions of Americans every year, can be costly, but many people don't realize they qualify for mental health care insurance.



Does Your Insurance Cover Mental Health Treatments?

Many people pay for therapy out of pocket to avoid the hassle or potential embarrassment of using their insurance. However, most insurance plans now cover mental health care. You may have to pay a higher deductible or copay, but your treatments will be covered.

How do you know if you have coverage? First, if you're employed, check with your employer. Companies with more than 50 employees are legally required to offer mental health benefits. Smaller companies with fewer than 50 employees don't have the same legal requirement but might still provide mental health benefits.

If you're not sure whether your company offers mental health benefits, you can also check with your insurance carrier directly. They can tell you what benefits are available under your plan.

Note that any plan purchased through the Health Insurance Marketplace must offer ten critical health benefits, including services for mental health and substance use disorders. If you're on a Medicaid plan, you're also likely to have coverage for mental health and substance use disorder services.

With Medicare, you're generally covered for outpatient mental health services, including individual and group therapy. You might also have inpatient mental health care coverage if it's considered medically necessary.

What Types of Mental Health Services Are Covered?

The types of mental health services covered by insurance can vary depending on the insurer, the plan, and your location. Here are some examples of the types of treatment that might be covered:

- ✱ Psychotherapy and counseling: can be used to treat various issues, including stress, grief, trauma, eating disorders, and substance use disorders.
- ✱ Telemedicine and online therapies: allow patients to receive psychiatric care over the phone or online, rather than having to see a doctor face-to-face. Some telehealth options include video chats, telephone

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calls, text messaging, and email exchanges.

- ✱ **Emergency services:** can be used in cases where someone is experiencing a mental health crisis or significant behavioral change and needs immediate care. This includes attempts at self-harm, substance abuse, suicidal thoughts and behaviors, psychosis, and violence.
- ✱ **Substance use disorder treatment:** can help people struggling with alcohol or drug dependence. This might include detoxification, counseling, and medication-assisted treatment.
- ✱ **Co-occurring conditions:** refers to people who have more than one mental health diagnosis, such as depression and anxiety.

What to Do If Your Insurer Won't Pay

Insurance companies may deny a claim for mental health services for various reasons, including missing information, lack of coverage for that service, a billing mistake, or the service not being considered medically necessary.

You have a few options if your insurance company denies a claim. First, contact your insurer to find out why the claim was rejected and see if there's anything you can do to fix the problem.

You can also file an appeal with your insurance company or contact your state's insurance department. Another option is to reach out to a mental health advocacy organization for help.

What If You Don't Have Insurance?

You have several options if you don't have insurance or if your insurance doesn't cover mental health care.

You can contact your state's mental health authority to find out about free or low-cost mental health services in your area. Also, look into free clinics and nonprofit options via the National Association of Free and Charitable Clinics.

Another option is to contact a university training program near you, as many offer low-cost mental health services provided by students who are supervised by licensed therapists.

You can also look into online therapy, which is becoming increasingly popular. Many online therapy providers offer a free or low-cost trial period, so you can try out the service to see if it's a good fit for you. ■

How to Save on Health Insurance

If you're one of the millions of Americans struggling to pay for the rising cost of health insurance, here are some money saving tips.

Check with Your Employer

If your employer provides health insurance benefits, it might be worthwhile to take a closer look at those options. Depending on the coverage you're looking for and the amount of savings you want, you might find that your employer-sponsored plan is the best option, especially if they also offer an HRA or FSA account.

Use Tax Credit Subsidies

If you purchase your own health insurance, subsidies such as the Advanced Premium Tax Credit are available to make premiums less expensive. The amount of this subsidy depends on your income and family size. If you qualify, the tax credit will be applied to your monthly premiums, and you'll be able to pay the discounted rate.

Opt for HMO over PPO

If you can choose between an HMO and a PPO, choosing an HMO can save you money because they have smaller networks of doctors and hospitals. In addition, HMOs often require you to use in-network providers, which can help keep costs down.

Pick a Plan with a High Deductible

Deductibles are the out-of-pocket amounts you must pay before your insurance starts covering medical expenses. A higher deductible means lower monthly premiums but more money upfront. So, if you're healthy and don't often visit the doctor or take medication, consider choosing a plan with a higher deductible. However, make sure you have enough saved in case of an unexpected medical emergency.

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Don't Forget About Your HSA

If you have a Health Savings Account (HSA) or a Flexible Spending Account (FSA), you can use these accounts to save money on health insurance costs. With an HSA, you can make tax-deductible contributions (up to \$3,650 per year for individuals and \$7,300 for families) and use the funds to pay for qualifying medical expenses. With an FSA, your employer sets aside a certain amount of money (up to \$2,850 per year) from your paycheck to cover eligible medical expenses.

Check Your Coverage Before Going for Treatment

Before you receive any treatment, it's always a good idea to check with your insurance company to make sure the procedure or medication is covered. Some treatments may not be fully covered or may require a higher deductible. You can also ask your doctor if any cheaper alternatives are just as effective.

Save on Medication

You can save money on prescription medications by buying generic drugs instead of brand-name ones, as they both contain the same active ingredient. Also, ask if your doctor can prescribe a cheaper alternative drug that has the same effect. Another option is to order from online pharmacies because they might provide discounts for online and bulk purchases.

Take Preventative Measures

You can save on healthcare costs by making sure you get regular checkups and screenings. These tests can detect illnesses early so you can avoid costly treatments down the road. They can also prevent serious conditions like cancer from developing in the first place.

Adopting a healthier lifestyle by eating well, exercising regularly, and getting enough sleep will contribute to better overall health. Not only will you feel better, but you'll also be less likely to get sick and end up needing expensive medical care. ■



A Quick Look at Child-Only Health Insurance

Affordable health insurance for your children is a top priority. Child-only health insurance policies can be a good fit for your kids but finding the right policy for your family can be tricky.

What Is Child-Only Health Insurance?

Child-only health insurance is specifically designed to cover only children under the age of 19. These policies are advantageous for parents who don't have coverage themselves or can't afford a plan that covers themselves and dependents.

Some of the most popular types of child-only health insurance plans include:

- ✱ Individual and Family Health Insurance Plans: offered by private insurance companies, they can be purchased directly through the insurer or a health insurance marketplace.
- ✱ Medicaid: a government-sponsored health insurance program available to low-income individuals and families.
- ✱ Children's Health Insurance Program (CHIP): a government-sponsored health insurance program that provides coverage to children whose families earn too much money to qualify for Medicaid but can't afford private health insurance.
- ✱ Affordable Care Act (ACA): helps individuals and families obtain health insurance by providing subsidies to help offset the cost of premiums.

What Type of Plan Should You Choose?

Medicaid is one of the best and most reliable sources of coverage. Its benefits include free or low-cost preventive care, no out-of-pocket costs



for covered services, and coverage for a wide range of medical services, including dental and vision care, prescription drugs, and long-term care.

CHIP is another good option for families who don't qualify for Medicaid but can't afford private health insurance. CHIP provides comprehensive coverage, including preventive care, dental and vision care, prescription drugs, and in some states, long-term care.

If you are eligible for an ACA subsidy, you may consider purchasing a private health insurance plan through the ACA marketplace. These plans are required to offer essential health benefits, including preventive care, prescription drugs, and mental health and substance abuse services.

Private plans should be your last option. They are more expensive than other options and don't always offer the same level of coverage. If you decide to purchase a private plan, review the policy carefully to ensure it meets your family's needs. ■



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