



Medicare Supplement Plan- Household Savings Program

Frequently Asked Questions

October 2024

THIS DOCUMENT IS TO BE USED AS A TOOL ONLY TO VERBALLY ANSWER QUESTIONS FROM PROSPECTIVE ENROLLEES OR CURRENT MEMBERS. THIS DOCUMENT CANNOT BE GIVEN TO EITHER PROSPECTIVE ENROLLEES OR CURRENT MEMBERS.

The Medicare Supplement Household Savings Program is available to members, ages 65 and older, who share the same residence, mailing and billing address. A monthly savings of 7% is taken off combined medical dues when both members enroll in the same eligible/qualified Medicare Supplement plan. The savings program is available as long as both members remain enrolled in the same plan and share the same required residence and mailing address.

Definition and member setup

1. What does Household mean?

Household means both members share the same residence and the same mailing and billing address.

2. Will both Household Savings members have the same subscriber ID and the same policy?

Yes, both members will have the same subscriber ID number and share one policy. One member will be the subscriber and the other will be enrolled as the other household member.

If both members are either new enrollees or existing enrollees, the subscriber is determined based on which application is enrolled first. Otherwise, the existing member already enrolled on the requested plan type will be designated as the subscriber.

3. Will both Household Savings members receive one billing statement?

Yes, both members will receive one billing statement.

4. Is the older member required to be the primary subscriber on the plan for the Household Savings Program?

No. A member's age only dictates that individual's rates, so either member can be the subscriber on a plan to participate in the Household Savings Program. (Internal note: Refer to the *Enrollment Process Current Members* section of the *Processing Household Saving Plan – Med Supp DLP*.)

5. What happens if the members who are enrolled in the Household Savings Program no longer share the same residence or address?

The Household Savings Program will not apply if both members no longer reside in the same household or share the same mailing address.

6. What documentation is required to validate whether both members reside in the same household and have the same address?

Only the address is required and provided on the application, which is signed by the applicants. No additional documentation is required.

7. Does the Household Savings Program expire?

No, this program does not expire. As long as both members continue their enrollment in the same plan and continue to reside in the same household and share the same residence and the same mailing and billing address, they qualify for this program.

8. Can both household members access the bill online?

Both household members share one policy and one account, but access to the online bill is available only to the subscriber.

Eligibility**9. What open Medicare Supplement plans are eligible for the Household Savings Program?**

Open Medicare Supplement Plans A, F Extra*, G, G Extra, and N are eligible for the Household Savings Program.

* Plan F Extra is only available to applicants who attained age 65 before January 1, 2020, or who first became eligible for Medicare benefits due to disability before January 1, 2020.

10. What closed plans are eligible for the Household Savings Program?

The following closed plans are eligible for the Household Savings Program if both members are already enrolled in the same plan type:

- 2010 Standardized Medicare Supplement (CLOSED 05/31/2010) Plans A, B, C, D, F, G, H, I, and J
- 2010 Standardized Medicare Supplement (CLOSED 09/30/2019) Plans C, D, and F

11. What closed Medicare Supplement plans are NOT eligible for the Household Savings Program?

2010 Standardized Medicare Supplement (CLOSED 09/30/2019) Plans High Deductible F, K, and all Closed Pre-Standardized Medicare Supplement Plans (Coronet Senior Standard, Coronet Senior Plus Rx, Golden Coronet Senior Standard, Golden Coronet Senior Plus Rx, Coronet Major Medicare, and Preferred Senior) are not eligible.

12. What happens when one of the members wants to switch to a different Medicare Supplement plan?

If one member switches to a different plan, then neither member qualifies for the Household Savings Program and they both lose the applicable monthly savings. The subscriber will maintain coverage under the policy's existing member ID number. The other household member will be transferred to his or her own coverage and be re-enrolled under a new member ID number.

13. Are tobacco users qualified for the Household Savings Program?

No, tobacco users are not qualified to enroll in the Household Savings Program.

14. Is the Household Savings Program available to members age 64 or younger?

No, this program is not available to those age 64 or younger.

Existing members**15. How can existing members enroll in the Household Savings Program?**

Existing members must complete the following sections of the Medicare Supplement Transfer Application:

- Applicant's personal Information (pages 1–2), in the “Please check the plan type you are applying for” field, **please check the plan type both members are enrolled in and write the word “CLOSED” if the members are enrolled in a closed plan.**
- Household Savings Program, including the other household member's name, Medicare claim number, BSC plan member ID Number (if available), signature, and date (page 2).
- Payment Information (pages 2–3).
- Condition of membership – Applicant's signature and date (page 3). Please note that the Applicant should sign here and not the other Household member.
- Producer Information, if applicable (page 3).

16. What happens when two members currently enrolled in a Closed Standardized Medicare Supplement plan want to enroll in a Household Savings Program?

Two members who are currently enrolled in Closed Standardized Medicare Supplement plans and share the same address may qualify to enroll in the Household Savings Program as long as both members are enrolled in the same plan type. If a member decides to give up their individual coverage in the Closed Standardized Medicare Supplement plan, the member no longer has the option to move back to the Closed Plan at a later time.

17. What happens when two members who share the same residence and the same mailing and billing address and are currently enrolled in different Closed Standardized Medicare Supplement plans want to enroll in a Household Savings Program?

They have the option to transfer to the same Open Standardized Medicare Supplement plan in order to be eligible for the Household Savings Program. Once this move is made, these members no longer have the option to move back to the Closed Plan.

Rate guarantee

18. Do existing members who enroll in the Household Savings Program also qualify for the twelve-month rate guarantee?

No. The twelve-month rate guarantee applies to new members enrolled in a Blue Shield Medicare

Supplement plan. The rate guarantee ensures that, for new members, rates are protected from a Blue Shield–imposed rate action for a specified period of time. A new member may qualify for both if within the first twelve months of enrollment the member is also eligible and applies for the Household Savings Program. Existing Med Supp members who have already had their twelve-month rate guarantee, and later decide to enroll in the Household Savings Program, do not receive another twelve-month rate guarantee.

19. When an existing member and a new member enroll in the Household Savings Program, do they both qualify for the twelve-month rate guarantee?

No, the twelve-month rate guarantee applies only to the new member's rate as described in #22.

How savings programs work together

20. Can each member enrolled in a Household Savings Program also qualify for other Medicare Supplement savings programs? If so, which ones?

Yes, **new members** with the Household Savings Program may combine this savings with any or all of the savings below:

- **Welcome to Medicare Rate Savings** (each member may qualify for these savings)
- **Dental Plan savings** (both members must enroll in the same dental or dental/vision plan in order to qualify for these savings)

- **AutoPay savings** for electronic payment of premiums (the \$3 Easy\$Pay savings amount is applied only once per household)

Existing members may combine these savings only with the **AutoPay** savings program.

Rate calculation

21. How is the Household Savings calculated on Medicare Supplement rates?

Take 7% off each rate for subscriber and other household member, round to the nearest dollar, use (\$0.50 as the threshold), and add those rates together to get the monthly premium.

Example: Plan A, Region 2, subscriber is 69 years old, and member is 65 years old.

	Standard rate	Standard rate less 7% savings	Round to the nearest dollar (.50 threshold)	Add the member rates together
Subscriber	\$145	$\$145 \times 93\% (.93) = \134.85	\$135	\$135 +
Other household member	\$125	$\$125 \times 93\% (.93) = \116.25	\$116	\$116
			Total monthly premium with savings	\$251

Payment options

22. When two members enroll in Household Savings, how is a billing payment option selected?

A billing payment option can be selected in the following ways:

- When two individuals enroll as new Med Supp members at the same time with Household Savings, a billing payment option will be selected on the Application for Blue Shield of California Medicare Supplement plans. The individual who has information entered first on this application is considered the subscriber and is the only one who can change the billing payment option going forward. The subscriber may authorize the dependent member by phone or by completing the **Authorization for the Use or Disclosure of Health Information** form. Without authorization, the request to change the billing payment option by the other household member will not be honored, and we will send a letter to the other household member stating that the selection of a billing payment option needs to be authorized by the subscriber.
- When there is an existing Med Supp member and another individual joins later, so they can both have Household Savings, the current billing payment option will also apply to the other household member. It can be changed only as described above.

23. How can members with household Savings and the billing payment option obtain their billing statements?

Members can get the billing statement:

- Using the Blue Shield online portal
- Calling Customer Service

As a reminder, if the other household member is calling to make this request, the other household member needs to be authorized by the subscriber.