



## Medicare Supplement Plan - \$25 Welcome to Medicare Rate Savings Frequently Asked Questions October 2024

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**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.**

### **\$25 Welcome to Medicare Rate Savings Qualifications**

- The Welcome to Medicare Rate Savings is available during a new Blue Shield member's first year of Medicare Supplement plan coverage, if the member qualifies under Guaranteed Acceptance Scenario #1 and is at least 65 years old.
- To qualify for the savings, Blue Shield must receive the application within six months of the date the individual first enrolls for benefits under Medicare Part B.
- The savings program will be in effect for the first 12 months of plan dues.
- The savings under this program are due to increased efficiencies from administering Medicare Supplement plans, which are passed on to the members.

### **1. What plans are eligible for the Welcome to Medicare Rate Savings, and what plans are NOT eligible for the Welcome to Medicare Rate Savings?**

Effective January 1, 2020, the following plans are eligible for Welcome to Medicare Rates Savings:

- Plan A
- Plan F Extra\*
- Plan G
- Plan G Extra

Plan N is not eligible for Welcome to Medicare Savings.

\* 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.

### **2. What documentation is required to validate the individual's Medicare Part B effective date?**

No additional documentation is required. The Part B effective date is provided on the application, which is signed by the applicant.

### **3. Can a member who is eligible for the Welcome to Medicare Rate Savings program also qualify for other Medicare Supplement savings programs at the same time? If so, which ones?**

Yes, new members with the \$25 Welcome to Medicare Rate Savings may also combine this savings with any or all of these savings below:

- Household Savings Program

- Dental Plan savings
- AutoPay savings program for electronic payment of premiums

#### **4. Are tobacco users eligible for the Welcome to Medicare Rate Savings?**

Yes, once members indicate that they qualify for Guaranteed Acceptance scenario 1, they are eligible for the Welcome to Medicare Rate Savings program. The "Statement of health" questions listed on page 7 of the Medicare Supplement application, including question 5 regarding tobacco usage are not required when the enrollee qualifies for Guaranteed Acceptance. Given that Welcome to Medicare Rate Savings is an extension of Guaranteed Acceptance scenario 1, all members who qualify are eligible.

#### **5. When a member transfers from a non-qualifying plan type to a qualifying Med Supp plan type within the first six months of the member's part B eligibility, does the member get the full 12 months of Welcome to Medicare Rate Savings?**

No, the member is eligible for the savings for the first 12 months after the Part B effective date, provided the member is enrolling in a qualifying plan type. If enrollment in a qualifying plan type is later than the Part B effective date, the member will receive savings through the remaining period of the first 12 months of Medicare Supplement coverage.

Example: Part B effective date of 12/01/2024. A member with an effective date of 12/01/2024 requests a plan transfer to another plan effective 02/01/2025 will receive the \$25 Welcome to Medicare savings from 02/01/2025 to 11/30/2025.

#### **6. Is an individual who is initially covered by another carrier applies for a Blue Shield Medicare Supplement plan within the six-month period of enrolling in Medicare Part B eligible for the \$25 Welcome to Medicare Savings?**

Yes, a member meeting the Welcome to Medicare savings criteria will be eligible for the Welcome to Medicare Savings Program.

#### **7. How should producers instruct their clients when applicants think they qualify for the Welcome to Medicare Rate Savings?**

- Producers must instruct their clients to pay the full dues amount without the Welcome to Medicare Rate Savings to avoid any delays in processing claims. If an individual does qualify for the savings program, the first bill will reflect the appropriate credit for the first month of coverage.
- Applicants who are not eligible for the savings program but submit their first month's dues reflecting the monthly savings will be billed for the balance owed. The application itself will not be pended but claims could be held until the full payment is received.

#### **8. When will members be notified that their \$25 Welcome to Medicare Rate Savings program will be expiring? Will notification be via hard copy letter or email?**

We will send a hard copy notification letter to members at least 60 days prior to the end of the 12-month period for which they are eligible for the \$25 Welcome to Medicare Rate Savings.