

# KEEN ON RETIREMENT



## Confused by Health Insurance? Don't Get Caught in These Avoidable Medicare Traps

Welcome to Keen on Retirement  
With Bill Keen and Steve Sanduski

Steve Sanduski: Hey everybody. Welcome back to Keen On Retirement. I'm your co-host, Steve Sanduski, and Mr. Bill Keen, how are you today?

Bill Keen: We are doing good here Steve, in Kansas City. How's it going up in Milwaukee today, sir?

Steve Sanduski: Fantastic, fantastic. Well hey, we have a special guest with us today, and before we -

Bill Keen: We do.

Steve Sanduski: Before we introduce her Bill, we're going to do a little more trivia here today. I've got a couple good questions lined up for you. Actually, let's introduce our guest, and then we'll get our guest involved in the trivia as well. How about that?

Bill Keen: You bet, Steve. Today is going to be a really impactful episode. I have Cindy Stonum here in the studio with us and Cindy has over 23 years of experience as a licensed broker in the life and health insurance industry, focusing primarily on the health insurance market. She's certified Medicare Health Insurance broker, specializing in health insurance needs of those on Medicare. It's the Medicare Advantage Plans with the top companies in our area, as well as in the Supplement Plans, Medicare Part D, prescription plans, dental, vision, and other products that folks will need to be thinking about as they navigate out toward and into age 65 and beyond, frankly, when they're needing to focus on these things.

This is part of our checklist driven process Steve. The health insurance aspect to it. There's more confusion, more questions than you could imagine around this topic. So to have Cindy here in the studio with us, who is a true expert on this, someone we send folks to, we give introductions to Cindy and she's just done a fantastic job helping people navigate these waters. I think having her on the program today is just going to be a wonderful resource for our listeners to listen to now and then go back to over time and listen. Cindy, welcome to the studio today.

Cindy Stonum: Thank you very much. I'm happy to be here. Thanks for the invitation.

Bill Keen: You're welcome.

Steve Sanduski: Well Cindy, welcome. Hey, we're going to throw you right into the fire here.

Bill Keen: I didn't tell her about this, Steve. We're going already try to stump her, aren't we?

Steve Sanduski: That's right, okay. Here's the first question, and the question is ...

Bill Keen: She's probably wondering what this is. These are our intro brain teasers, Cindy.

Cindy Stonum: Okay.

Bill Keen: All right.

Steve Sanduski: Okay. Where does the term "check" come from? So like you write a check, where does that word come from?

Cindy Stonum: Are you wanting the country?

Steve Sanduski: Just the background.

Cindy Stonum: Or the situation?

Steve Sanduski: The background.

Cindy Stonum: The background?

Steve Sanduski: The background. How did the word "check" come into play, to mean writing a check to make a payment?

Cindy Stonum: I do not have the answer for that question.

Bill Keen: You know I was relying on my guest here to help me today, Cindy. There's no more ... Checks are going to be a thing of the past, don't you know that, Steve?

Steve Sanduski: Yeah, yeah.

Bill Keen: Everything's going to be electronic anymore.

Steve Sanduski: I'll give you two a hint. Think of a board game.

Cindy Stonum: Monopoly?

Steve Sanduski: No.

Bill Keen: Checkers?

Steve Sanduski: Close.

Bill Keen: Okay.

Steve Sanduski: Where you use it-

Cindy Stonum: Chess.

Steve Sanduski: Yes, and do you use the word check in chess?

Bill Keen: Yes.

Cindy Stonum: Mm-hmm (affirmative).

Steve Sanduski: Okay. Actually, it does come from the game of chess. Where you put the king in check means the king's choices are limited, just like a modern-day check that limits opportunities for forgery and alteration.

Bill Keen: Wow.

Cindy Stonum: Good to know.

Bill Keen: Okay.

Cindy Stonum: Learned something new today.

Bill Keen: Yes.

Steve Sanduski: Thank you, the internet, for that.

Bill Keen: Steve, I thought you had all this information in your mind up there. You just disclosed that you're looking at the internet for this.

Steve Sanduski: I am and you know sometimes you can't always trust what's on the internet but-

Bill Keen: Right.

Steve Sanduski: We'll see. Okay, here's another one for you.

Bill Keen: All right.

Steve Sanduski: Where did the word greenback come from? Like greenbacks, as in money.

Cindy Stonum: What do you think?

Bill Keen: My goodness.

Steve Sanduski: This is going to sound obvious when you get the answer.

Cindy Stonum: I don't know the answer.

Bill Keen: Well, speaking of checks going up slowly. The young people these days aren't even carrying cash anymore. Did you know that, Cindy?

Cindy Stonum: I know. I know, they just-

Bill Keen: They have their debit card. My generation, we always liked to have a little cash in our pocket.

Cindy Stonum: I like the cash.

Bill Keen: You know it? You might need to tip someone.

Steve Sanduski: Show me the money.

Cindy Stonum: Exactly.

Bill Keen: Yeah, that's right. At least a little bit. A little bit of security in your pocket. Anyway, the greenback, Steve, you're going to have to help us. I'm sorry.

Steve Sanduski: Okay. It comes from the green ink used on the back of bills.

Cindy Stonum: Oh, that's so obvious.

Steve Sanduski: Greenback. That is obvious.

Bill Keen: Okay. Usually they're more complicated than that.

Cindy Stonum: Mm-hmm (affirmative)

Steve Sanduski: That's right.

Bill Keen: Cindy, he didn't use his buzzer today. In the past, he's got a buzzer.

Cindy Stonum: That was so nice of you, since I'm a newbie.

Bill Keen: That's right. Steve, is there any hazing that has to happen here for our first-time podcast guest?

Steve Sanduski: Yes, there is, and I'm thankful that you reminded me of the buzzer here. Got to pull that out here.

Bill Keen: Oh, great.

Steve Sanduski: Here's another question. Let's see here. How many times does the phrase, "The United States of America" appear on a \$100 bill?

Bill Keen: I'm going to say five.

Cindy Stonum: I'm going to say two, one on each side, but I don't know.

Male speaker: No.

Bill Keen: Is that you Steve? That was an odd voice.

Male speaker: No.

Bill Keen: I guess that means no.

Steve Sanduski: That means no, yes. Actually, it appears 12 times on the back.

Bill Keen: Wow, okay.

Cindy Stonum: Wow.

Bill Keen: Now you say on the back-

Steve Sanduski: I'm sorry-

Bill Keen: Not 12 times total.

Steve Sanduski: 12 times total. I'm sorry, I misspoke. 12 times total.

Bill Keen: Okay.

Steve Sanduski: You bet. Okay.

Bill Keen: All right. Well, this is meaningful information that we're talking about here.

Steve Sanduski: That's right, and you can dazzle your friends at the next party that you're at. Okay. Hey, let's get to some more serious stuff here, Bill, and as you mentioned as you introduced our guest, Cindy, here. We're going to talk about Medicare. A very important topic. Why don't we jump in here?

Bill Keen: What I thought we would do today is really ask Cindy to walk us through the process that she goes through when a client comes in to see her for the first time and then really, I think, it will lead us right through the conversation, Steve. Anything you can think about, any experience that you've had whether it's with your parents, or anyone else you know, please just toss those questions in. From my experience with Cindy, I know that she will know and have an answer to any of our questions as it plays out here today.

Cindy, when someone comes to you for the first time, what is that process? In the financial world, we do our first meeting where we get to know folks and really go deep and find out a lot of things about them. What's your process for getting to know somebody right off the bat when they come sit in your chair for the first time?

Cindy Stonum: Okay. First, I want to get to know them a little bit, so I'll ask quite a few questions. I need to know where they are in the whole process because sometimes people come to me and they've already done some steps of the process and I don't want to bore them. I don't want to go over things they already understand. I kind of get a feel for where they are in the process and explain to them what my process is, where we basically almost always have two appointments. The first appointment is gonna be information only. I'm gonna give them a lot of good information. Usually, their brains are kind of mushy when they leave.

Bill Keen: Yes.

Cindy Stonum: There's just so much to share. That's why we give them the red folder because I'm going to be printing out documents that pertain specifically to them and their medications.

Bill Keen: Okay.

Cindy Stonum: We're going to put all that in the red folder and then I ask them when they come back for the next appointment, which it's usually a two-appointment process. First one is information only, the second one when they come back, we will start out with any new questions they've come up with because when you know more about what you're learning about, you have more questions.

Bill Keen: Yes.

Cindy Stonum: So two appointments. It's important for them to understand that there will never be a bill that we will ask them to pay as far as my services, because we

are, in our office, we're contracted with all of the major insurance companies and they pay us.

Bill Keen: Yes.

Cindy Stonum: The client will never have to pay us for these services. Everything that we do doesn't cost them anything. It's all free service for them.

Bill Keen: I heard you say their medications. Do you prep them before that first meeting, to either bring their medicines, or a list of medicines? Not to get too granular here but, do you need to know if they're on a generic version of these medicines or do you need to know the specifics of that?

Cindy Stonum: Yes. When they call first for the initial contact, when they first call my office for their appointment, we get some basic information from them. We ask 'em what is their birthday, what zip code do they live in, what county do they live in, and then we ask them to please bring with them a complete list of all of their medications including the dosage, as well as a list of all of their doctors. One of the options that they will have as a new Medicare beneficiary has no networks. We don't care if the doctors are ...

Bill Keen: Okay.

Cindy Stonum: There's no way to check that because there isn't a network. The second option does have networks. We want to have that list of doctors, so we can make sure that whatever recommendation we give them, their doctors are in that network. As far as the medications, we need to know what they're taking because we're gonna look at Medicare Part D, and I can't help them choose a good drug plan if we don't know what medicines they're taking.

Bill Keen: When do you educate somebody on the difference between an Advantage Plan and, I guess, it's called a traditional Medicare Supplement Plan with Part D? Do you educate them on the first meeting? Do you try to, or do you wait until the second meeting when they come back to you?

Cindy Stonum: No, we do it on the first meeting. We want them to have all of the information about the two different choices they have, the options. They have two options. We explain fully, each option with prices, with names of companies, all of that information and I write that on the little booklet that we give to them. They take it home and that way they can pull out one page when they're at home visiting privately with their spouse or the people that they value their opinions, and we strongly encourage that. Talk with as many people as you can because you're going to learn something from everybody. Yes, they'll get all the prices. They'll get the two options, the names of the companies, everything, because one of the main reasons they're coming to me is to get the numbers. They need to know how much this health insurance change in their life is going to cost them.

Bill Keen: Right.

Cindy Stonum: Are they going to save money is it going to be more expensive because they need to look at their budget? That's one of their main concerns, even if they don't always express it. Afterwards, they tell me, "I need the numbers because I need to look at my budget."

Bill Keen: Well, hopefully their financial advisor, in our case the people we send you, we're coaching them to get that information nailed down.

Cindy Stonum: Yes, and they tell me that too, "I've got to get this information to Bill."

Bill Keen: Yes, okay. Would it be okay to have you give us a brief overview, and I know you've probably talked for hours on the differences between a Medicare Supplement and the Medicare Advantage. Are you able to give us some positives and negatives to each, and-

Cindy Stonum: Sure, absolutely. We have two different options to choose from as a Medicare beneficiary. You can choose a traditional Medicare Supplement. In that situation, Medicare would be primary, the Supplement's secondary. You have no network. You can go anywhere you want to go. That's one option. Because that first option does not have drug coverage built in to it, we must get a separate standalone drug plan. With option one, you would have Medicare as primary, the Supplement as secondary and then a standalone drug plan. That's option one. Option two is the Medicare Advantage plans, which, in our area of the country, we can offer Medicare Advantage Plans with no drug coverage in them, but everybody wants the drug coverage built in so that's pretty much what we offer people. The positives and negatives between the two, with the traditional Medicare Supplement option, the positives would be that you can go to any doctor or any hospital.

Bill Keen: Okay.

Cindy Stonum: You have total freedom of choice, anywhere in the country.

Bill Keen: If you're traveling, that's probably a big deal.

Cindy Stonum: Yes, it is a big deal for people. The negatives to the traditional Medicare Supplement, really the only negative is price. Sometimes it's just not gonna fit in somebody's budget and that would be the negative.

Bill Keen: Okay.

Cindy Stonum: With the Medicare Advantage, the positives are going to be cost because the price of the Medicare Advantage Plan, in the greater Kansas City metro area can be as little as \$0.00 per month. Usually, we'll get somewhere between zero and \$40 per month, is what most of our clients will end up paying per month for the

premium with the Medicare Advantage. That includes the drug coverage. You don't have a separate premium for that. You also get a lot of perks with the Medicare Advantage that you don't get with Medicare Supplement. The big one being the free gym membership. Everybody loves that.

Bill Keen: We advise that too. Don't we, Steve?

Cindy Stonum: Mm-hmm (affirmative)

Steve Sanduski: Yep.

Cindy Stonum: The negatives on the Medicare Advantage plan side would probably be the fact that because you have a network, you're going to have more hoops to jump through before you can get services. You want to make sure your doctor is in the network. We prefer the PPO's over the HMO's, simply because we don't always know if our doctor is in the network.

Bill Keen: Okay.

Cindy Stonum: Sometimes if you have a medical procedure and your primary care physician sets that up for you, they don't always check to see if the doctor that they're recommending is in your network. PPO kind of protects people from that.

Bill Keen: Okay, so you're saying that under the Advantage plans, there's PPO's and HMO's and you have to know what you're doing to be involved.

Cindy Stonum: Right, and we talk extensively about that, the differences between the two. Sometimes people will tell me, "I never go anywhere but to this one doctor and an will work fine for me." Other people want the freedom of an PPO.

Bill Keen: We talked at your office recently about how people think the advantage plans are too good to be true. How could something be zero to \$40 per month and still be worth something?

Cindy Stonum: Right, mm-hmm (affirmative).

Bill Keen: Will you explain to our listeners how it's not really zero to 40 a month, it's just coming from a different source?

Cindy Stonum: Correct. With the traditional Medicare Supplement, that monthly premium comes out of your pocket. You pay that insurance company the monthly premium, whatever it is, based on your age and zip code. With Medicare Advantage, a lot of them have zero premium where you don't pay anything and people often have the misconception that they're getting a lower quality product. In reality, Medicare Advantage the federal government is paying the insurance companies that offer Medicare Advantage, they're paying them between 700 and \$1,000 per month for every person enrolled in that plan.

Money is changing hands, a lot of money. It's just not coming directly out of your own bank account. We always tell people don't feel like you're getting a cheap, cruddy policy because it has no premium because that's really not the truth. These are very good plans. We have a lot of very happy clients in the Medicare Advantage as well as Medicare Supplement. I think it's great to have two options to offer the public because you cannot take a size 12 shoe and make it fit everyone. We have to have choices, and this gives us some choices.

Steve Sanduski: Let me ask a basic question if I could. Let's say that I am 65 years old, husband, wife. We have \$1,500,000.00 in investments. We have \$90,000 a year of retirement income, from various different sources. We have no insurance through our employer or any kind of continuing insurance. Is that when we come to you and is that when we become eligible for Medicare? In that scenario, with those kind of assets and that kind of retirement income, are we guaranteed that we could get Medicare, you can't turn us away because of preexisting conditions? Do we still fall under that zero to maybe \$40 a month in premiums that we pay? Once we pay those premiums, are there deductibles and out of pocket expenses? How does that all work?

Cindy Stonum: Okay.

Steve Sanduski: Lots of questions.

Bill Keen: Did you get all that, Cindy?

Cindy Stonum: We're going to try to hit them all, but if I forget one of them, you remind me. The main thing is at the age of 65, for everybody ... When you turn 65, you get to sign up for Medicare and it's not an income-based issue. Now, everyone gets to sign up for Medicare but the price that you pay for your Medicare Part B, is dependent upon what your income is. If we have a husband and wife, and your income is over 170,000, you will pay a higher Part B premium. If your income is under 170 as a couple, your premium would be \$134 a month. That's a 2017 number. As far as preexisting conditions, everyone that is either picking up Medicare at age 65 or if you have delayed your Medicare for a future date ... Sometimes, people work until 67, 68, 70, whatever.

Whatever age you are, when you take your Part B, there will be no health questions. You will qualify either for a guaranteed issue situation or an open enrollment situation. We cannot legally ask you the health questions. That's a really huge concern for a lot of people that call us. It's one of their very first questions is, "Will I have to have a physical? Will I have to answer health questions?" Just telling them that one thing, you can just hear the sigh of relief. It's nice for people to know that upfront, that they don't have to worry about their health conditions.

Steve Sanduski: Mm-hmm (affirmative). When you're talking about the zero to \$40 premium, what level of income could you not go over and pay that level of premium?

Cindy Stonum: There is no limit. There is not limit.

Steve Sanduski: I thought you said that-

Cindy Stonum: Well, that's true.

Steve Sanduski: If it's over 170,000, you're paying over 100 and something dollars a month?

Cindy Stonum: That's for Part B. Medicare has the Part A, which is hospitalization. Part B is your medical for your doctors visits and outpatient services. You have to get your Part B first, and have your Medicare set up, and then once that is done then we can shop for Medicare Supplement or Medicare Advantage. Medicare as it is, just Medicare alone has an 80/20 split for Part B services. That's the doctor. Now, Medicare Supplement is going to pay the 20% that Medicare doesn't and the hospital deductible of \$1,316. Supplement is going to do that. Medicare Advantage, works on its own system. We've completely removed Medicare from paying any claims. Medicare doesn't pay claims anymore. The insurance company you've chosen for your Medicare Advantage plan will pay those claims for you now.

Bill Keen: Okay.

Cindy Stonum: There may be some situations where you pay the 20%. Such as, if you're using a CPAP machine or a BiPAP machine. You'll pay 20% of that, which usually runs less than \$10 a month. It's not a lot of money, but people have to understand that the bills no longer go to Medicare, they go to your insurance company instead. That's only with Medicare Advantage. With traditional Medicare Supplement, Medicare's still primary. They pay first, then the supplement pays.

Bill Keen: Steve, I think to answer your question the zero to \$40 for the Advantage plans, it's available to anyone, any limit, any asset level, any income level, and I do have many folks that have several million dollars or more in liquid resources that are on the Advantage plans.

Steve Sanduski: Here's another question that I think a lot of people at some point may run into, and that is long-term care. How does that work with Medicare if I have to go into an assisted-living facility or a full long-term care situation? Is that covered under Medicare?

Cindy Stonum: No, it is not. We tell people that on their very, very first appointment, that it's really important that they understand that Medicare does not cover long-term care. All they're going to get is 20 days in skilled care, and then the supplement, if you choose a Medicare Supplement, it will give you an additional 80 days. You only have 100 days total. Most of the time, when I get to that part on the explanation that I'm doing for the client, we talk about, "Do you have long-term care insurance?" In most situations, people will put a 90-day elimination period on a long-term care policies. It's like a deductible, but it's in a number of days

instead of a dollar amount. We try to do 90 day eliminations because Medicare in general will pay for the first 100 days. There's no point in overlapping that really, unless people just really want extra heavy coverage.

Bill Keen: Yes. While we're on this, the difference between the Supplement and the Advantage and qualifications ... Steve asked about preexisting. We had talked in the past, Cindy, about, can you switch? Let's say you're over 65 and you make a choice on one of these plans, how difficult is it switch between the plans? Then is there a preexisting condition issue? What are some of the complications or how does that work?

Cindy Stonum: Okay. That's a very interesting topic for me because a lot of it ... First thing to understand is that Medicare Supplements, just that little product, are controlled and regulated by the state that you live in. Kansas folks have totally different state laws than Missouri people do. Missouri people get to do things that Kansas people don't, so it's important to me to know where you live. I share those state laws with the client. They understand what our limitations are. If you are choosing Medicare Advantage though, it's a federal product. It's controlled and regulated by the federal government. It's nationwide rules instead of the rules per state.

Bill Keen: Okay.

Cindy Stonum: With Medicare Advantage, everyone gets the same open enrollment period every year. It's October 15th through December 7th of every year. In that 54-day window, anyone who has a Medicare Advantage plan or an Medicare Part D drug plan, can shop amongst all the plans that are available. If they want to make a change they can make a change in that window, and then it will start January 1 of the upcoming year.

Bill Keen: Staying with another Advantage plan though. Is that right?

Cindy Stonum: Yes, yes. You must stay with another Advantage plan. You can shop amongst the Advantage plans. Now, sometimes people say, "Well, okay. What if I wanted to jump from Medicare Advantage over to Medicare Supplement?"

Bill Keen: Yes.

Cindy Stonum: In certain situations, and it depends on the client and we go over this with them, certain situations you are given a 12-month trial period. Your very first year that you're in Medicare Advantage. In that first 12-month trial period, any month of that year, if you've decided, "Oh, I've made a mistake. I should have chosen the Supplement instead of the Advantage." If you call me, I can get the paperwork ready. We'll move you over to Medicare Supplement. No health questions asked. After the first 12 months though, most insurance carriers will require that you answer all the health questions to get into a Supplement.

Bill Keen: You could potentially be denied, is that right?

Cindy Stonum: Yes, you can.

Bill Keen: Is that the same for Kansas and Missouri both?

Cindy Stonum: Mm-hmm (affirmative). On the Medicare Advantage product, yes, it is.

Bill Keen: In any state in the US at all?

Cindy Stonum: Yes. Mm-hmm (affirmative). Mm-hmm (affirmative).

Bill Keen: Okay.

Cindy Stonum: It's very important for whoever you work with to know the laws because it can have very bad impacts if you don't know what you're doing.

Bill Keen: Would you say that someone may start out with the Medicare Supplement knowing that they could go over to the Advantage later?

Cindy Stonum: Yes.

Bill Keen: Let's say they had some surgeries coming up or they were really thinking it through. Is that a reasonable strategy?

Cindy Stonum: Yes, very much so. We tell people, if you start with traditional Medicare Supplement that 12-month trial period is sitting out there waiting for you to use anytime in your life or not at all. It's your decision whether you use it or not.

Bill Keen: Okay.

Cindy Stonum: Okay?

Bill Keen: See those are really important things for our clients when they come in and see us Steve. To know these nuances. You can imagine, there's a lot of confusion and anxiety around these things. Cindy, you mentioned a window for the Advantage, October 15th to December 7th. I think there's a different window for the Medicare Supplement. Is that correct?

Cindy Stonum: No. Well, it depends on the state you live in.

Bill Keen: Okay.

Cindy Stonum: In Missouri, we have a window of time. It's a 60-day window, that surrounds the start date of that client's Medicare Supplement. So each person has their own personal open enrollment. So let's just use an example here. Let's say somebody has their 65th birthday in July, they made their Medicare Supplement effective

July 1, and they've had that Medicare Supplement for let's say two or three years. If they come to me and say, "My premiums are getting really expensive. What can you do for me?" Well, I explain to them about the Missouri annual open enrollment. It's the 60-day window, surrounding the start date of your supplement. In that 60-day window what we can do, we shop amongst all the insurance companies in the state that are offering the plan you are currently on.

Bill Keen: Okay.

Cindy Stonum: So if a client has chosen Plan F, and they want me to shop, I'll shop everybody that offers a Plan F and show them the prices of these companies. So let's say maybe they're with a company and they go a \$40 rate increase and they don't like it, and I can get that ... Knock that \$40 out of the park and put 'em back down. They're still in the same exact coverage they had before, but all we've done is change the address that they're mailing their premium check to.

Bill Keen: I learned that it's good for folks to review this.

Cindy Stonum: Pretty much every year isn't it? It really is in their best interest.

Bill Keen: Yes.

Cindy Stonum: Now, we do have clients that you see the full gamut, you'll sign somebody up for everything they've got and never see 'em again the rest of their life. No matter how many times you ask them to come in for a review they just don't care.

Bill Keen: Yes.

Cindy Stonum: Other people are there every single year. And then we have other people that come every other year, every third year.

Bill Keen: Okay.

Cindy Stonum: So it's up to the individual client but it really ... You are shooting yourself in the foot if you do not review this stuff.

Bill Keen: Well naturally these premiums do increase. Is it the supplements that are the ones that increase the most?

Cindy Stonum: Yes. Mm-hmm (affirmative)

Bill Keen: I think you were sharing with me you saw one couple was spending something like 14 or \$1500 a month?

Cindy Stonum: Mm-hmm (affirmative)

Bill Keen: They had just kinda put it on autopilot and forgot about it.

Cindy Stonum: Yeah, and just not thought about it. You know, when we review that and we show them, "You're on this plan and we're gonna keep you on this plan. You're gonna enjoy the same benefits that you had all your Medicare years. All we're gonna do is drop the price down." And they're absolutely shocked.

Bill Keen: It almost seems like that shouldn't be it, you shouldn't be able to do it, doesn't it?

Cindy Stonum: I know. Well, in Kansas we can't.

Bill Keen: Okay.

Cindy Stonum: In Missouri we can.

Bill Keen: In Kansas you can't. Okay.

Cindy Stonum: Mm-hmm (affirmative) Yep.

Bill Keen: One thing I was going to also ask you about ... Steve, sorry I'm dominating the questions here. I hope you're okay with that?

Steve Sanduski: Absolutely. No, go ahead.

Bill Keen: Okay, okay. I get this question a lot. The spouse, if you're married, you don't have to be on the same plan. You can be on a completely different plan, can't you?

Cindy Stonum: That's correct.

Bill Keen: I mean can one spouse be on the Advantage, and another on a Supplement?

Cindy Stonum: Yes, it's very common -

Bill Keen: Okay.

Cindy Stonum: Very common because once you become a Medicare eligible person, you are now an individual. There are no more family plans. There are no more spousal, you know, husband and wife to be in the same plan, and have one policy. Everybody's an individual. Although, we do have clients that will take the same products, simply because it makes it easier for them when the stuff's coming in the mail, when you don't have two companies to deal with.

Bill Keen: Sure.

Cindy Stonum: It's very common for one spouse to take Medicare Advantage and the other to Medicare Supplement. We see it every day of the week.

Bill Keen: Okay.

Cindy Stonum: We tell people, "Think about your own personal needs. Don't think about your spouse, 'cause we're gonna help them figure out their own needs."

Bill Keen: Sure.

Cindy Stonum: "So think about yourself. I know it's hard to do that because we tend to try not to be selfish, but this time we want you to think about what feels good to you."

Bill Keen: Jumping back, that couple that came into you, that had \$1500 a month, basically supplement charges ... And not to put you completely on the spot, you probably didn't have it exactly in your mind, but about what was it ... How much were you able to get it down? Just curious.

Cindy Stonum: Oh, that one particular lady ... Husband and wife, it was about a \$6000 a year savings. By the time we got done moving them to the new company and getting everything done. Some huge savings. I have to say too, on the Part D drug coverage, people will just pick out a drug plan and never ever revisit it.

Bill Keen: Right.

Cindy Stonum: It happens every year in the open enrollment. Somebody will come in, that has changed their medication, they've been using this medication and this drug plan for at least a year. They change the medicine, that drug plan doesn't cover that medicine anymore next year. And so, it can be a three, four, five, \$600 medication and the client's on the hook for that. So if they had not come in-

Bill Keen: Yes.

Cindy Stonum: And changed the plan they would have had to pay that all year because after December 7th, we cannot make changes.

Bill Keen: So these plans can change what they cover on you-

Cindy Stonum: Mm-hmm (affirmative) and they do.

Bill Keen: If you're not paying attention is just your point.

Cindy Stonum: They do. Yes, the price will change, the drug formulary will change. Everything about it will change every year. So it's really in your best interest to review that.

Bill Keen: One thing I was really surprised about too, when you showed me your information that you analyzed is it makes a difference what pharmacy you use, too!

Cindy Stonum: Yes, very much so.

Bill Keen: I wouldn't have known that. There's huge differences based on ... Is it plans? Is it the medication? Is it the location of the state? What's the-

Cindy Stonum: It's really a contract between that drug plan and the pharmacy. There are different drug plans that contract with CVS, and that's their preferred pharmacy. Others, Walgreens or Walmart, or Hy-Vee. Or just depends. So I always ask the client, "If you could go to any pharmacy, that you wanted to, strictly for your own personal convenience, with no regard to what your insurance company wants you to do, where would you like to shop?" Then they tell me.

Bill Keen: Okay.

Cindy Stonum: I usually ask for two pharmacies, so we can do some comparison shopping. Then I show them the difference, and sometimes one of the pharmacies that they chose is not even a preferred pharmacy, or it's not ... Nothing is covered there. So there can be dramatic \$1000's differences between just two pharmacies.

Bill Keen: Well, I wanted to ask you one more thing Cindy. You mentioned that you've had some issues with Social Security lately.

Cindy Stonum: Yes.

Bill Keen: I know we have a wonderful system and that, but sometimes your clients are getting, is it misinformation maybe, in some cases?

Cindy Stonum: Yes, misinformation.

Bill Keen: Yeah.

Cindy Stonum: Two different times in the last 30 days, I've had clients come in, we do their first appointment, they need to go ... They had delayed their Medicare for a future date, and so when we delay our Medicare there's paperwork that has to be done to prove that they were on group health insurance, so they don't get a penalty. So we go over that paperwork, and I tell 'em, "This needs to go to your HR department. They fill this out. This form, you fill out and you take them both to Social Security." Well, at a specific Social Security office, they are telling people they can't sign up for Medicare. It's just flat out wrong.

Steve Sanduski: Wow.

Cindy Stonum: I've already called the 1-800 national phone number. I've had client call 'em. We've both confirmed that the information I'm sharing with them is correct, but the person at the Social Security Administration just has different information in their head and would not let them sign up.

Bill Keen: So what happened? What did you do?

Cindy Stonum: Well, the client, the couple that I'm working with right now that this situation, they both wanted to sign up for April 1. They both should be able to sign up for April 1, but the person at the Social Security said, "No, she can sign up May 1. You can sign up April 1." The reasons that she gave were just wrong.

Steve Sanduski: So she has alternative facts?

Cindy Stonum: Yes! Yes.

Bill Keen: Mm-hmm (affirmative), exactly.

Cindy Stonum: When I called the Social Security Administration, I explained what was happening. I wanted to fix it.

Bill Keen: Sure.

Cindy Stonum: I didn't want to just gloss over it. Her response to me, after she told me, "Yes, you're correct and yes, they should be able to." I said, "Well, how do I fix this?" And she said, "I'd tell him to go to a different office."

Bill Keen: Okay.

Cindy Stonum: I'm a little frustrated by that because I think it should be fixed but nobody wants to fix it. So I don't know what to do about that except explain that the situation to people and try to give them the correct words to use in the Social Security Administration to maybe get the right information.

Bill Keen: Sure. It's interesting how complex all this is, and to try and go out and do this on your own, without the guidance of someone like Cindy, I would just think that would be amazingly overwhelming. Then understanding that this is an ongoing process, this isn't a one and done thing. We described today several things that Cindy helps people come up with and monitor that truly can save 1000's of dollars each year. Watching how these plans evolved, and how their lives evolve. And there's a whole another topic that we could talk about, that we don't have time to, but it's for the people who retire before age 65. They probably either have Cobra, or extended Cobra in some cases, but the folks that don't have that who need to insure prior to Medicare, that whole system is in flux big time right now, isn't it Cindy?

Cindy Stonum: Very much so, yes.

Bill Keen: In fact you've totally had to back out of that-

Cindy Stonum: We had to because the carriers in the greater Kansas City metro have decided they can't afford to pay brokers. We're just hoping that the new administration will fix whatever the problems are, because right now, we look at it as a house on fire, burned to the ground and somebody has to get out the fire hose.

Bill Keen: Yes.

Cindy Stonum: We have to fix this.

Bill Keen: Yes. Yeah, so if you're pre-Medicare, and you don't have that company plan or that Cobra, you're basically just going into a carrier directly? Is that what you're doing?

Cindy Stonum: You have to. Yeah, you have to.

Bill Keen: So do you go to multiple carriers and try to do all this on your own and compare it, and try to figure it out, or?

Cindy Stonum: That's what they'd have to do.

Bill Keen: Okay.

Cindy Stonum: That's what they'd have to do. People that call us, we just share the information about what's going on and why we can't really help them. I do give them some direction.

Bill Keen: Yes.

Cindy Stonum: "Don't bother calling this company, they don't have anything to offer. This one has two products, or there's always the marketplace that you can go to." A lot of people just wanna avoid that. And you know one of the biggest confusions out there is, people think that if they go direct to the carrier it's not Obamacare.

Bill Keen: Okay.

Cindy Stonum: Or if they go on the healthcare.gov, that's Obamacare. It's all Obamacare.

Bill Keen: Okay.

Cindy Stonum: There is nothing else anymore. It just depends on where you buy it.

Bill Keen: Well certainly a lot to talk about Steve, and a lot to be aware of. I think we've got a lot of good information for folks to be alerted to, and to be thinking about, without question.

Steve Sanduski: I do too. I think you mentioned a couple important points there Bill, just a moment ago, about how this is a complicated subject first and foremost. So it's hard for people to do on their own and that's why we turn to people like you, Bill and Cindy. Second, you can save 1000's of dollars. Cindy gave a great example there of someone who just let it slide, didn't think about it year after year after year. Premiums would continue to go up. All of a sudden they're paying over \$1000 per month and then they come see Cindy and they're saving 100's of dollars per month. So this is definitely something people should take some time, meet with a professional, and it may end up saving you a lot of money.

Bill Keen: That's right. Well Steve, thanks for allowing us to go this direction on the podcast today. I know we weren't talking about stocks and bonds and the investments or some of the other things, taxes, that we're talking about. But I think this was a very timely topic. Just really grateful to have you in the studio today Cindy, so thank you.

Cindy Stonum: You're very welcome. It's my pleasure.

Bill Keen: All right.

Steve Sanduski: All right, hey, thanks to you too and we'll talk to you soon.

Bill Keen: All right Steve.

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