

MACRA — What Agents Need to Know



Bankers Fidelity Life Insurance Company®
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Q: What is MACRA?

A: The **Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)** is a federal law that is replacing Medicare's current reimbursement schedule with a new payment framework that focuses exclusively on value over volume.¹ This law also affects plans that can be sold to newly-eligible Medicare beneficiaries. Effective January 1, 2020 newly-eligible Medicare beneficiaries will not be able to purchase plans that cover the Part B deductible.

Who is considered "Newly-eligible"?

Newly-eligible are those who first become eligible for Medicare due to age, disability or end-stage renal sickness on or after January 1, 2020.

Q: What does MACRA mean for my clients?

Those who are current Medicare Supplement policyholders

- ▶ Are not affected by MACRA legislation.
- ▶ No action is required.
- ▶ Can keep or purchase a plan that covers the Part B deductible (Plan C, Plan F and High Deductible Plan F).

Those who are Medicare-eligible on or BEFORE December 31, 2019

- ▶ Medicare Supplement options remain the same.
- ▶ Can purchase a plan that covers the Part B deductible (Plan C, Plan F or High Deductible Plan F).

Those who are Medicare-eligible on or AFTER January 1, 2020

- ▶ Are referred to as "newly-eligible" under MACRA.
- ▶ Cannot purchase a plan that covers the Part B deductible (Plan C, Plan F or High Deductible Plan F).
- ▶ Can purchase plans that include a cost-sharing component (Plan D, Plan G and High Deductible G).

Q: How can I help my clients?

A: Your clients look to you for advice, so please take the time to explain the new rule to them. For your clients who are current Medicare Supplement policyholders or are Medicare-eligible prior to January 1, 2020, reassure them that they can keep their existing coverage and do not have to switch plans.

Q: Who can answer my questions?

A: Bankers Fidelity® is here for you. If you have any questions, contact us at 866-458-7503 or bankersfidelity.com.

¹<https://www.practicefusion.com/blog/what-is-macra-and-mips/>

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