



**Medicare Supplement Plans (Closed)
April 1, 2025, Rate Action – Medical and Specialty
Frequently Asked Questions
February 2025**

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.

Medicare Supplement Plans April 1, 2025, Rate Action – Medical and Specialty

1. Which plans are affected by this Medicare Supplement plan premium increase?

- Closed 2010 Standardized plans: D, F, High Deductible F and K
- Closed 1990 Standardized plans: C, D, F, and G

2. Which plans are NOT affected by this Medicare Supplement plan premium increase?

- Open plans: A, F Extra, G, G Extra, and N – the Rate Action for these plans may not occur until later in the year
- Closed 2010 Standardized plan: C
- Closed 1990 Standardized plans: A, B, J, and K
- Closed 1990 Standardized plans (Closed 12/31/2005): H Standard, H Plus Rx, I Standard, and I Plus Rx – members in these plans will receive a premium increase if they move to a higher age-band
- Closed Pre-Standardized Plans (Closed prior to 1990)

3. What is the average premium increase?

- The average premium increase for impacted Medicare Supplement plans is 9.9%. This average applies to all impacted plan types; however, the impacted percentages range based on age and region. (Please assess member rates on an individual basis.)
- Members will see only one premium increase per year that takes into account their age on April 1st annually.

4. Will these plans receive another premium increase this year?

No, there will not be another premium increase for the impacted plans for the year; however, other changes that can affect a member's premium at any time include:

- Moving to a different region
- Changing to a different plan. Open Medicare Supplement plans could experience a rate action later in the year.
- Disenrollment from one of our savings programs, (Welcome to Medicare Rate Savings, AutoPay, Household Savings, etc).
- Other plans that the member has may also receive a rate change (including PDP).

5. Why are Medicare Supplement premiums being increased?

Similar to other carriers that offer Medicare Supplement plans, Blue Shield is increasing premiums because:

- Member's birthday, which moved them into a new age band
- The overall cost of health care continues to rise due to various reasons including higher costs associated with inpatient and outpatient care, physician services and new technologies (i.e., diagnostic radiology, etc.).

6. How are premium increases calculated?

- The premium increase is calculated by taking into consideration the above reasons, in addition to:
 - The benefits covered in the member's plan
 - Where a member lives
 - Current average medical costs
 - Projections on the level of utilization anticipated for the upcoming year
- Members' health status has no impact on their premiums.
- Members living in the same region, who are the same age and on the same plan, will have the same premiums.

7. How can members get help to pay these premiums when they are on a budget and can't afford these higher premiums?

Blue Shield has savings programs that may help members save money on rates such as:

- Household Savings – If two members from the same household are 65 years old or older and are accepted in the same Medicare Supplement benefit plan type (including any dental plans), they may be eligible for a 7% monthly savings on their combined medical dues when coverage is issued under one agreement. Both members must share the same home, mailing, and billing address.
- AutoPay Savings – Members may save \$3 per month on their plan dues if they choose to authorize Blue Shield to automatically withdraw the monthly dues from their personal checking or savings account each month.

The savings are due to increased efficiencies from administering Medicare Supplement plans under the programs that are passed along to the subscriber.

Household Savings Program does not apply to Medicare Supplement High Deductible Plan F, Plan K, Pre-Standardized Plans or to tobacco users.

8. Can members switch to other, more affordable Blue Shield plans?

Medicare Supplement

- Yes. Blue Shield offers other Medicare Supplement plans that may have lower monthly premiums and are available throughout the State of California. A member may switch to another Medicare Supplement plan during the Medicare Supplement Open Enrollment Period (OEP) which begins the 1st day of their birthday month and ends 60 days after their birthday.
- During this time, they may transfer to an equal or lesser plan without going through underwriting or with underwriting outside of the OEP. They may choose to transfer to a richer plan any time during the year or to a lesser plan outside of their OEP by going through underwriting.

Medicare Advantage

- Yes. Depending on the county the member resides in, Blue Shield has Medicare Advantage Prescription Drug plans (MA-PD) available which have monthly premiums beginning at \$0. These plans cover both medical and prescription drugs.
- A member may enroll in or switch to a Medicare Advantage Plan (MA-PD) during the Annual Enrollment Period (AEP) from October 15 through December 7. The member's plan coverage will start January 1 of the following year.
- For more information, please refer members to the Blue Shield Direct Sales team or their broker to discuss other plan options. Blue Shield Direct Sales can be reached at (800) 488-8000 (TTY: 711).

Medicare Supplement Optional Supplemental Dental Plan Rate Action

9. Which plans are affected by this Medicare Supplement Specialty (Dental) plan premium increase?

- DPPO PPO 1000
- DPPO PPO 1500

10. What is the premium increase?

- DPPO PPO 1000 \$38.75 increase to \$39.20
- DPPO PPO 1500 \$58.49 increase to \$58.80