

Health Benefits – Information Update – 4/6/2020

By Sherree L. Craig, CEBS



Sherree L. Craig,
CEBS

Bravo to the businesses continuing uninterrupted, but changed, right now.

As you may be struggling to maintain your footing in business, your employees need some assurances and an understanding of what might happen with their oh-so-important-now health benefits in the event of a reduction in their work hours, a temporary layoff, a furlough, or if a termination of employment becomes necessary.

- **Maine Insurance Code Update.** By order of Governor Mills, an employer may continue to insure employees during an interruption to their employment. If an employer chooses this option, this offer must be made to “all affected employees on a non-

discriminatory basis.”

- COBRA/mini-COBRA. Federal law requires companies with 20 or more employees to offer continuous group health plan coverage to qualified beneficiaries for a certain period of time, depending on the qualifying event. In Maine, employees working for a company with fewer than 20 employees also have a continuation of coverage opportunity in the event of a temporary layoff. This mini-COBRA protection can extend for up to 12 months and can be paid by the employee or company. The insurance company should be notified of this status change, but the employee’s coverage will be maintained on your group bill. It is important to note that if your company is officially out of business, these options are no longer available.

- Healthcare.gov Special Enrollment Opportunity. Employees should be encouraged to review this chance to enroll on the Federal Healthcare Exchange in a timely manner. The loss of group health insurance is considered a qualifying event (unless for non-payment of premiums). This is the time to enroll and apply for subsidies. It must be done at the termination of the group health coverage or at the end of a COBRA election period. They cannot elect COBRA for a few months and then try to switch to the Exchange.

- MaineCare. Due to the expansion of MaineCare eligibility, many of your employees may find themselves eligible for this program. They may apply for coverage or check eligibility at www.maine.gov/mymaineconnection.

If you have questions about this topic, or other federal requirements for continuation of coverage during a medical leave, I encourage you to reach out to your insurance benefits professional.

Wishing you all the best for your health and success.

Anna Moorman Recognized for 2019 Sales



Anna Moorman

Anna Moorman of Allen Insurance and Financial has been recognized for Medicare supplement sales in 2019 by Anthem, one of the largest Medicare supplement carriers in the state of Maine.

Moorman is one of two agents at Allen Insurance and Financial who specialize in the complex market of Medicare insurance, working with a number of insurance carriers to give customers a range of choices to suit their needs. Moorman has been with Allen Insurance and Financial since 2012.

The Anthem award was announced in Portland on Feb. 25. This is the fifth consecutive year that Moorman has received an award from Anthem for Medicare sales; for 2019 she was named one of Anthem's top 10 sales leaders.

"This award indicates that Anna's clients appreciate the way she simplifies the process," said Michael Pierce, company president. "And that's key, because our goal is to provide dedicated, one-

on-one attention to our Medicare customers, assessing each person's needs and finding options that will align with their budget and healthcare goals.”

Sherree L. Craig Now Licensed as an Insurance Consultant in Maine



Sherree L.
Craig, CEBS

Sherree L. Craig, CEBS, Senior Account Executive in the Benefits Division at Allen Insurance and Financial, is now a licensed insurance consultant in Maine.

“Sherree’s efforts demonstrate her deep commitment to continuing professional development,” said Mike Pierce, company president. “This commitment is important to all of our insurance divisions but it is especially so in the always-changing field of employee benefits.”

Craig holds Fellowship standing in the International Society of Certified Employee Benefit Specialists through the Wharton

School of Business, and an advanced certification in self-funding from the National Association of Health Underwriters.

When a Collision is not a Collision

By Chris Richmond

Originally submitted to [WorkBoat Magazine](#) / January 2021



A client's vessel was tied to the dock, unloading its catch. Another fishing vessel struck his boat while backing out. The offending captain said not to worry, that he had excellent coverage and passed along his insurance agent's contact information. After a couple of weeks of dealing with the other company's adjustor, my client was informed that there was no coverage for this claim. The owner who had struck him had hull coverage, but no liability.

If you have a lender involved with your vessel, most likely they will require proof of hull coverage to protect their interests. What they do not ask for is proof of protection and indemnity (P&I) coverage. These are two separate policies that provide different coverages for your commercial vessel. P&I provides coverage for any crew and passengers, as well as any damage to

something you hit, whether it be another vessel or a pier. Your hull insurance provides coverage for damage to your vessel, wreck removal and collision liability up to the limits of your hull coverage.

But when is a collision not a collision? You might think that in the case mentioned above that a collision occurred – one vessel ran into another. But because one boat was secured to a dock and not moving, the event became an allision. In the insurance world, when one vessel strikes another moving vessel, this is a collision. When a vessel strikes a fixed or non-moving object, this is an allision.

In our client's claim, he was secured to the dock. It was an allision, which would normally be covered under the P&I policy. As the other vessel did not have P&I, the claim was denied. Fortunately, in this case our client's insurance company stepped in and covered the claim. The insurance company then has the option to go after the vessel owner to recover payments for the loss.

By opting to not carry P&I, a vessel owner opens himself up to a wide range of potential claims that would not be paid. Each part of a commercial vessel's policy is specifically worded to cover certain parts of a vessel, as well as its operation. Don't make the mistake of thinking some coverage is better than none.

Tips for Avoiding Common

Holiday Cyberscams

For many of us, the holiday season is a wonderful time of year. Unfortunately, it can be especially profitable for cybercriminals. Because of the prevalence of online shopping, we almost always see a significant increase in cyberscams during November and December. To help you avoid becoming a victim of holiday cybercrime, here are some of the top scams to watch out for—and tips for avoiding them.

Shady Shipping Notices

During the holiday season, it's very likely that you will ship at least a couple of packages directly to your loved ones or have online purchases sent to your home. This makes the shipping notice scam a popular one for cyberscrooges. Here's how it works: The scammer crafts an email, purportedly coming from UPS or FedEx, notifying you of a problem delivering your package. To resolve the issue, you need only click on a link in the email message or open an attached invoice. Of course, doing so will install malware or ransomware on your computer or device.

Don't fall for it. Be particularly wary of emails claiming to come from any courier service. If you do receive a message like the one described above—whether you believe it to be legitimate or not—go to the website of the company you may have ordered from. You should be able to track your package from the retailer's site. Use the tracking number for the courier service that the retailer provides. You can also go directly to [UPS.com](https://www.ups.com) or [FedEx.com](https://www.fedex.com) and obtain the delivery status there. Whatever you do, don't click on any links or download any attachments in the original message.

Eyebrow-Raising Refunds

This phishing scam is designed to steal your personal and financial information. Typically, an email claiming to be from

an e-commerce company like Amazon, eBay, or Overstock will say that something has gone wrong with your recent order. You will be prompted to click on a link in the message to obtain your refund. Unfortunately, if you do, you will be taken to a dummy website set up to look like a legitimate sender. There, you will be asked to fill out a form with your financial information to let the sender know where it can issue your refund.

Don't fall for it. Again, to check the status of any order you may have placed, go to the company's website directly (e.g., Amazon.com, eBay.com). If the company doesn't offer the ability to check an order's status, verify the transaction by calling the firm at a phone number that you know is legitimate.

Giveaways Galore

The gift card scam is seen year-round but more often during the holidays. These bogus offers are most commonly delivered by cybercriminals through social media, usually through a friend's hacked account or a fake company page set up to look as if it's legitimate. Appearing to originate from an entity like Best Buy, Ikea, or Whole Foods, the offer claims that the company is giving away hundreds or thousands of dollars in gift cards. But if you follow the instructions provided to obtain your gift card, you will likely be led to a phishing form that asks for your personal information.

Don't fall for it. Remember, if something seems too good to be true, it probably is! If the post appears to come from a friend, call or text him or her to ask if it's legitimate. In addition, be wary if the "official company page" looks a little off. Check how many followers the website has. The retailer's authentic website may have hundreds of thousands or millions of followers. Further, a huge promotion such as the one described in the offer you received would also be listed on the retailer's website, so check there directly or call the company's customer service

number.

Website Vendors That Don't Deliver

Many popular and novelty items may be sold out and on backorder until after the holidays. Or they may be hard to find from mainstream merchants altogether. So it's not uncommon for consumers to search online for a less well-known vendor that may have the items. But beware! Another favorite holiday scam is staged through sketchy websites claiming to have hard-to-find items in stock. These sites trick you into paying for the items with no intention of delivering them. Often, these entities are based overseas.

Don't fall for it. Search the Better Business Bureau website for customer reviews and the accreditations of merchants that are unfamiliar to you. In addition, because not all businesses are listed with the BBB, you might want to hunt elsewhere on the web for reviews posted by other consumers. If you can't find much information on the vendor, stay away!

Still nervous? Below are additional tips to protect yourself from holiday scams:

- If possible, use credit cards for online transactions. If you fall for one of these scams and unknowingly hand over your debit card information, it's easy for the cybercriminal to drain your bank account quickly. Purchases made with credit cards typically offer more consumer protections.
- If you're uncertain about the legitimacy of a website, check its safety rating on Scamadviser.com or URLVoid.com.
- If searching for an item on a lesser-known merchant's website, check for spelling and grammatical errors. If found, these mistakes are a red flag that the site is most likely based overseas—indicating a possible scam.
- Avoid online shopping or conducting any financial transactions

over an unsecure Wi-Fi network.

'Tis the Season

With all the merriment and shopping during the holidays, the risk of inadvertently exposing your credit card or bank account details is very real. It's important to take a step back and pay attention to the emails you're receiving and the websites you're using. By following the suggestions discussed here, you can help protect yourself against cyberscams so you can fully enjoy the holiday season.

2020 Medicare Parts A & B Premiums and Deductibles

On November 8, 2019, the Centers for Medicare & Medicaid Services (CMS) released the 2020 premiums, deductibles, and coinsurance amounts for the Medicare Part A and Part B programs.

Medicare Part B Premiums/Deductibles

Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A.

Each year the Medicare premiums, deductibles, and copayment rates are adjusted according to the Social Security Act. For 2020, the Medicare Part B monthly premiums and the annual deductible are higher than the 2019 amounts. The standard monthly premium for Medicare Part B enrollees will be \$144.60 for 2020, an increase of \$9.10 from \$135.50 in 2019. The annual

deductible for all Medicare Part B beneficiaries is \$198 in 2020, an increase of \$13 from the annual deductible of \$185 in 2019.

The increase in the Part B premiums and deductible is largely due to rising spending on physician-administered drugs. These higher costs have a ripple effect and result in higher Part B premiums and deductible.

From day one, President Trump has made it a top priority to lower drug prices. Currently, for Part B, the law requires CMS to pay the average sales price for a drug and also pays physicians a percentage of a drug's sale price. This incentivizes drug companies to set prices higher and for physicians to prescribe more expensive drugs – because that leads to a higher Medicare payment. Through the President's drug pricing blueprint, the Trump Administration is working to lower drug prices in Medicare Part B drugs.

CMS is committed to empowering beneficiaries with the information they need to make informed decisions about their Medicare coverage options, including providing new tools to help them make those decisions through the eMedicare initiative. In addition to the recently released premiums and cost sharing information for 2020 Medicare Advantage and Part D plans, we are releasing the premiums and cost sharing information for Fee-for-Service Medicare, so beneficiaries understand their options for receiving Medicare benefits. As previously [announced](#), as a result of CMS actions to drive competition, on average for 2020, Medicare Advantage premiums are expected to decline by 23 percent from 2018, and will be the lowest in the last thirteen years while plan choices, benefits and enrollment continue to increase. Premiums and deductibles for Medicare Advantage and Medicare Part D Prescription Drug plans are already finalized and are unaffected by this announcement.

Medicare Part B Income-Related Monthly Adjustment Amounts

Since 2007, a beneficiary's Part B monthly premium is based on his or her income. These income-related monthly adjustment amounts (IRMAA) affect roughly 7 percent of people with Medicare Part B. The 2020 Part B total premiums for high income beneficiaries are shown in the following table:

| Beneficiaries who file individual tax returns with income: | Beneficiaries who file joint tax returns with income: | Income-related monthly adjustment amount | Total monthly premium amount |
|---|--|---|-------------------------------------|
| Less than or equal to \$87,000 | Less than or equal to \$174,000 | \$0.00 | \$144.60 |
| Greater than \$87,000 and less than or equal to \$109,000 | Greater than \$174,000 and less than or equal to \$218,000 | 57.80 | 202.40 |
| Greater than \$109,000 and less than or equal to \$136,000 | Greater than \$218,000 and less than or equal to \$272,000 | 144.60 | 289.20 |
| Greater than \$136,000 and less than or equal to \$163,000 | Greater than \$272,000 and less than or equal to \$326,000 | 231.40 | 376.00 |
| Greater than \$163,000 and less than \$500,000 | Greater than \$326,000 and less than \$750,000 | 318.10 | 462.70 |
| Greater than or equal to \$500,000 | Greater than or equal to \$750,000 | 347.00 | 491.60 |

Premiums for high-income beneficiaries who are married and lived

with their spouse at any time during the taxable year, but file a separate return, are as follows:

| Beneficiaries who are married and lived with their spouses at any time during the year, but who file separate tax returns from their spouses: | Income-related monthly adjustment amount | Total monthly premium amount |
|--|---|-------------------------------------|
| Less than or equal to \$87,000 | \$0.00 | \$144.60 |
| Greater than \$87,000 and less than \$413,000 | 318.10 | 462.70 |
| Greater than or equal to \$413,000 | 347.00 | 491.60 |

Medicare Part A Premiums/Deductibles

Medicare Part A covers inpatient hospital, skilled nursing facility, and some home health care services. About 99 percent of Medicare beneficiaries do not have a Part A premium since they have at least 40 quarters of Medicare-covered employment.

The Medicare Part A inpatient hospital deductible that beneficiaries will pay when admitted to the hospital will be \$1,408 in 2020, an increase of \$44 from \$1,364 in 2019. The Part A inpatient hospital deductible covers beneficiaries' share of costs for the first 60 days of Medicare-covered inpatient hospital care in a benefit period. In 2020, beneficiaries must pay a coinsurance amount of \$352 per day for the 61st through 90th day of a hospitalization (\$341 in 2019) in a benefit period and \$704 per day for lifetime reserve days (\$682 in 2019). For beneficiaries in skilled nursing facilities, the daily coinsurance for days 21 through 100 of extended care services in a benefit period will be \$176.00 in 2020 (\$170.50 in 2019).

| Part A Deductible and Coinsurance Amounts for Calendar Years 2019 and 2020 by Type of Cost Sharing | | |
|---|----------|---------|
| | 2019 | 2020 |
| Inpatient hospital deductible | \$1,364 | \$1,408 |
| Daily coinsurance for 61 st -90 th Day | \$341 | \$352 |
| Daily coinsurance for lifetime reserve days | \$682 | \$704 |
| Skilled Nursing Facility coinsurance | \$170.50 | \$176 |

Enrollees age 65 and over who have fewer than 40 quarters of coverage and certain persons with disabilities pay a monthly premium in order to voluntarily enroll in Medicare Part A. Individuals who had at least 30 quarters of coverage or were married to someone with at least 30 quarters of coverage may buy into Part A at a reduced monthly premium rate, which will be \$252 in 2020, a \$12 increase from 2019. Certain uninsured aged individuals who have less than 30 quarters of coverage and certain individuals with disabilities who have exhausted other entitlement will pay the full premium, which will be \$458 a month in 2020, a \$21 increase from 2019.

For more information on the 2020 Medicare Parts A and B premiums and deductibles (CMS-8071-N, CMS-8072-N, CMS-8073-N), please visit:

CMS - 8071 - N :

<https://www.federalregister.gov/documents/2019/11/13/2019-24441/medicare-program-cy-2020-inpatient-hospital-deductible-and-hospital-and-extended-care-services>

CMS - 8072 - N :

<https://www.federalregister.gov/documents/2019/11/13/2019-24439/medicare-program-cy-2020-part-a-premiums-for-the-uninsured-aged->

[and-for-certain-disabled-individuals](#)

CMS - 8073 - N :

<https://www.federalregister.gov/documents/2019/11/13/2019-24440/medicare-program-medicare-part-b-monthly-actuarial-rates-premium-rates-and-annual-deductible>

2020 Open Enrollment Checklist



Employers invest in their benefit plans as an asset to recruitment of new employees and retention of valued staff. We want to be sure you are being provided with the most current information on legal and compliance requirements of these plans.

For detailed information and questions, please don't hesitate to reach out to your Allen Insurance and Financial benefits team. [2020 Checklist \(PDF\)](#)

Rates for Individual Health

Insurance Plans via ACA May Drop for 2020

Maine's three providers of individual health insurance on the Affordable Care Act marketplace have revised their rate requests for 2020, significantly lowering their projected rates.

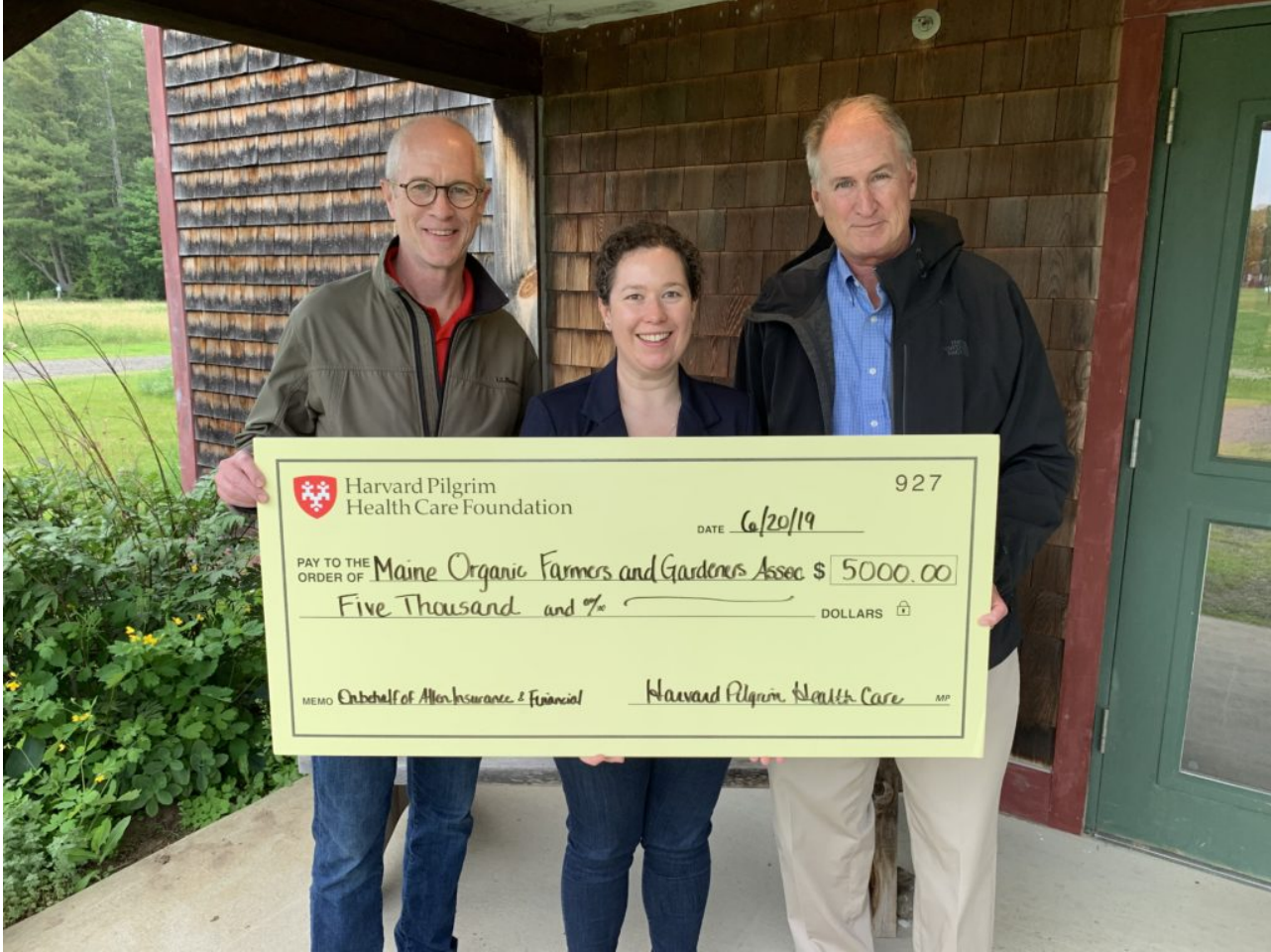
This is good news for anyone who plans to enroll or to renew their coverage in health insurance via the Affordable Care Act for 2020. Reminder: Open Enrollment for 2020 health plans starts Nov. 1 and ends Dec. 15.

[Click here to read more from the Lewiston Sun Journal.](#)

MOFGA Receives Grant from Harvard Pilgrim Health Care and Allen Insurance and Financial

The Maine Organic Farmers and Gardeners Association (MOFGA) recently received a \$5,000 grant from Harvard Pilgrim Health Care Foundation and Allen Insurance and Financial to increase access to and affordability of healthy, nutritious food for low income families. MOGFA has a longstanding commitment to help all Maine people acquire local, organic foods regardless of geography or income. Pictured in the photo, left to right, are: Bill Whitmore, Maine Market Vice President, Harvard Pilgrim

Health Care; Sarah Alexander, Executive Director, Maine Organic Farmers and Gardeners Association; and Dan Wyman, JD, Insured Benefits Manager, Allen Insurance and Financial.



Stay Current With Our Benefits Bulletin



With so much change happening in the benefits industry, we want to provide our customers with some background on recent developments.

[Benefits Bulletin Q3 2019](#)