

Switching Insurance Companies Confused Medicare

By Woodrow Wilcox

A client from Schererville, Indiana visited our office with a fairly common problem. I helped him and want to describe the problem and the solution for you.

The client switched Medicare supplemental insurance policies from one insurance company to another to save some money by lowering his monthly premium. This was done in advance so that the switch dates would match. In this case, the old insurance policy ended at midnight on April 30, 2008 and the new insurance policy started one second later on May 1, 2008.

The client went to a hospital for tests and treatment on April 30 and May 1, 2008. Medicare sent all the bills to the old insurance company, but did not send anything to the new insurance company. Insurance companies notify Medicare by electronic filings about Medicare policies and clients so that Medicare can send claims information to the correct insurance companies.

Apparently, receiving claims information from a medical service provider which must be divided between two insurance companies is a bit too complicated for some people who work at Medicare. For almost three weeks after the policy switch was made, Medicare was still sending claims information to the old insurance company rather than the new one.

When the client can give me the addresses of any unpaid medical service providers, I write directly to them for the client to explain the situation and what can be done to help them get paid as quickly as possible.

But, in this case, because the client did not have the addresses of unpaid medical service providers, I typed a letter of explanation and gave him copies to send or deliver to unpaid medical service providers. The letter explained the situation and gave the policy numbers and claims department addresses for both insurance companies. If the unpaid medical service providers follow the instructions in the letter, they will get paid faster than if we must contact Medicare to reprocess claims.

Note: Woody Wilcox is the senior problem resolution officer at the largest senior citizen oriented insurance agency in the Midwest.

Written and distributed by Woodrow Wilcox