Should You Pay a Fee for a Medicare Consultation?

Description

Medicare is confusing, full stop. Thereâ??s no doubt about that. If you have been in the position of understanding the various Medicare plans or helping someone understand them, you know that it can be a daunting task. There are many rules and restrictions



s, a glut of plans that makes comparing them overwhelming.

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As a result of that, most people who are turning 65 or starting on Medicare for the first time get some help. There are a handful of options for getting this help. Here are a few:

- **An Independent Broker** (disclaimer here: thatâ??s what we are) â?? An independent broker is paid by the insurance company, and it does not cost you anything to compare plans through the independent broker. You are, essentially, paying for them whether you use one or not as that is built into everyoneâ??s premium. An independent broker can provide all the options in a centralized place for your comparison and walk you through the enrollment process.
- **A Local or State Non-Profit Agency** â?? In most areas, there are agencies dedicated to helping people who are going on Medicare. These are sometimes known as a Council on Aging or SHIP/SHIIP (Senior Health Insurance Information Program). The representatives at these agencies are supposed to have diverse knowledge about Medicare and the Medicare plans â?? they are usually volunteers. Although they cannot help you enroll in a plan, they can help you understand Medicare and, at least at some level, compare the options.
- **A Trusted Friend or Family Member** â?? It is a, undoubtedly, a great idea to talk to family or friends who have already transitioned on to Medicare, especially if they are in your same geographic area (plans and prices vary considerably across the country so careful taking recommendations from people that donâ??t live in your same zip code). While it is helpful to hear perspectives of people who have already used Medicare and have experienced it first-hand, we would not recommend basing your decision solely on this. There are just too many variables at play, including where you live, your own financial situation, your individual health needs/outlook and more. It can be a great tool, but we frequently hear from people who are paying double as much as they need to because they just went with something a friend or family member recommended.

The three options above can all be valuable resources, and most importantly, none of them cost you anything. However, a new option has emerged in recent years and appears to be gaining some traction â?? **the fee-based Medicare consultant or advisor**.

These opportunistic companies require you to pay a one-time fee or per-hour rate to have access to someone who can talk to you about Medicare and your Medicare options. While this can be appealing to an overwhelmed person turning 65, it is not a necessary step and definitely not a necessary cost for you to take on.

First of all, and most significantly, the same advice that you are paying for through a fee-based advisor is available for free through an independent broker or state/local agency.



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Moreover, many of the fee-based advisors will also, after your consultation, sign you up for a plan so you are getting the same result as you would by going through an independent brokerâ?¦ you are just having to pay extra for it. If the fee-based advisor does NOT sign you up, then you have to sign up yourself following the consultation. In this case, you are paying for the consultation then having to do the enrollment work yourself (which an independent broker does for you and a state/local agency helps with).

And, finally, a fee-based advisor that does not sell plans **is NOT subject to the insurance licensing, compliance oversight, and ongoing regulatory and continuing education requirements that an independent broker is**. Put simply, insurance and Medicare specifically changes each and every year and often more frequently than that. There are new plans, companies, and procedures that appear on a regular basis. An independent broker is required through licensing, appointment, certification, and continuing education to be apprised of any changes, whereas a fee-based advisor is not.

Medicare can be confusing and overwhelming without a doubt. There are numerous plans and options, and it is easy to get â??paralysis by analysisâ?•. Ultimately, the choice for how you educate yourself about Medicare and select a plan is up to you. However, you should be aware of all the options for understanding Medicare, and most importantly, understand that it does NOT have to cost you anything to have an unbiased advisor who walks you through all of the plan options and helps you make an informed choice.

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65Medicare.org is a leading, independent Medicare insurance agency for people turning 65 and going on Medicare. If you have any questions about this information or would like to see if there is a mutual fit to work together, you can contact us online or call us at 877.506.3378.

Category

1. Uncategorized

Date Created
January 13, 2023
Author
65medicare

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