

Testimony of Jim Soucy, We Can Help You, Inc., President
5 Division Street, Suite A113, East Greenwich, RI 02818

In support of House Bills – H5431 & H5494

House Health and Human Services Committee

April 10, 2025

Dear Chairwoman Donovan and members of the House Health and Human Services Committee;

I'm writing in support of House Bills H5431 & H5494 - which will ultimately guarantee the rights of individuals over the age of 65 to switch to a Medicare Supplement (Medigap) plan, regardless of any pre-existing conditions.

Simplicity for Senior Citizens

As a licensed insurance agent in the State of Rhode Island (and 47 other states) who specializes in Medicare supplemental insurance options, I deal every day with helping individuals make these important decisions around their healthcare.

One of the larger implications of underwriting for Medicare Supplements, also referred to as MediGap plans, is that it creates an additional element of confusion for the impacted individuals when the time comes for them to make their Medicare plan selections.

Medicare Advantage (Part C) plans and Medicare Prescription Drug (Part D) plans have no underwriting not only when a Medicare beneficiary first becomes eligible, but in perpetuity throughout the beneficiary's retirement years.

In Rhode Island, this is not the case with Medicare Supplements, with the exception of Plan A, which less than 1% of beneficiaries would choose if given other options.

This can be particularly confusing for individuals in Rhode Island, since their friends and families in our bordering states of Massachusetts and Connecticut have freedom to move back and forth between Medicare Advantage and Medicare Supplement each year, while Rhode Island residents do not have equal flexibility of choice.

Incomplete Explanation from Testimony by Blue Cross Blue Shield RI During Senate Testimony

I listened to the testimony of Rich Glutzman on April 3, 2025 and I feel it necessary to underscore how certain elements of his testimony might be misunderstood.

Guaranteed Issue Statement

In his opening remarks, Rich makes a comment that “We [Blue Cross Blue Shield of Rhode Island] don’t have medical underwriting. You’ve heard, uh, about that, so we’re not denying people or changing your rates based off of the health conditions.”

What Rich is not explaining fully is that unless a Medicare beneficiary **IS** considered “guaranteed issue,” Blue Cross Blue Shield of Rhode Island will **NOT** enroll them in one of the preferred Medicare Supplements, specifically Plan G or Plan N, even if they are in excellent health.

Comparing Monthly Premiums

When Rich speaks to Medicare Supplement premiums, comparing current Blue Cross Blue Shield Rhode Island rates to rates of plans in Connecticut or Massachusetts, he is not comparing apples-to-apples.

Rich uses the low rate of a Blue Cross Blue Shield Rhode Island Plan G “Select” plan, which is not the same as a full Plan G, to the rates of Plan G in Connecticut and Plan 1A in Massachusetts (Plan 1a is comparable to a Plan G in other states, but with better coverage outside of the United States.)

Here are the rates for a 75-year-old male, non-tobacco user, on a Plan G or comparable plan in all three states:

Male, age 75, non-tobacco

State	Insurance Company	Plan	Rate
Connecticut	Humana	Plan G	242.54
Massachusetts	Humana	Plan 1a	216.66
Rhode Island	BCBSRI	Plan G	254.57

It is also important to note that the plan from Blue Cross Blue Shield Rhode Island increases to \$282.86 if a beneficiary is considered a tobacco user, while the rates remain the same for UnitedHealthcare in Connecticut and Massachusetts regardless of tobacco use.

Cost Sharing Benefits of True Guaranteed Issue Later in Life

Enrolling in a Medicare Advantage plan when younger and healthier can offer immediate cost savings due to lower or \$0 premiums, capped out-of-pocket costs, and included benefits like dental, vision, and wellness programs.

Since healthier individuals typically need fewer medical services, they may not reach the out-of-pocket maximums, making Advantage plans financially advantageous in the early years.

As health needs increase with age, switching to a Medigap (Medicare Supplement) plan can provide more comprehensive coverage by minimizing out-of-pocket expenses for frequent doctor visits, hospital stays, and other services, rendering the pre-supposed increase in Rhode Island MediGap premiums essentially a moot point.