

Applying online for Social Security is easy, fast

By KEVIN POST

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EGG HARBOR TOWNSHIP

— There is a tsunami of Baby Boomers headed for Social Security.

Nearly 80 million of them are expected to enter the government-managed retirement program — an estimated 20,000 per day for the next 20 years.

If you think the crowd at the Social Security field office here is bad now, just wait.

Or maybe not.

Since the start of this year, Americans have been able to apply for Social Security benefits entirely online — no need to mail in a signature or copy of a birth certificate. For most people, online application should take 15 minutes or less.

Oskar Ernst, Social Security district manager, said the time

and effort saved applying online rather than by phone or in person are enough that everyone should consider giving it a try. In a recent period, 47 percent of applicants chose to do at least part of it online.

"We urge people to explore it even if they don't initially think they want to apply online," Ernst said this week.

Even though Social Security schedules appointments for applicants, sitting and waiting for service is still common at the field office.

"And if you can get an appointment now within three weeks, it's unusual because of the high demand," he said.

Applying online — at www.socialsecurity.gov

— takes far less time and requires no drive to the office.

And the time savings are



Staff photo by Anthony Smedie

Going online may save you a long wait at the Social Security Administration office.

even greater when applying for disability benefits online.

Because disability claims require much more documentation, they take up more time in the office.

"People come in and they

have no idea the detail required to process a disability claim," Ernst said.

When applying online, they find out what information is needed and can gather it according to their own schedule.

Social Security's online site offers much more than applying for benefits.

Using its Benefits Planner, a person can accurately estimate what their Social Security benefit will be when they retire.

"By going into the retirement planner, they can plunk in their own estimates of earnings and retirement times and get an even more accurate estimate than is in their annual statement," he said.

By changing the variables — such as when they begin collecting benefits or differences in wages — they can look at the effect their choices will have on their benefits, he said.

Future beneficiaries also can track their payroll contributions to Social Security to make sure they're being credited in full — a critical factor in

determining their benefit when they retire.

"If they find some goose eggs that shouldn't be in there, they can fax their W-2 forms for the appropriate year and we can fix it," Ernst said. "In some cases, a whole report from an employer may have gone awry."

He added that those who apply online for benefits shouldn't worry about having a problem with the program or making a mistake.

The cases are reviewed by claims representatives, Ernst said, and "if something doesn't look right, or if they overlook a feature that would benefit them, a claim rep will call them about it."

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Medicare, in four parts

Know the coverage you need

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Of the two great entitlement programs for the elderly and disabled, Medicare is subject to many more complaints than Social Security.

One reason is that people have to pay for much of Medicare's coverage. Some have to pay penalties on top of those costs. And Medicare is far more complicated than Social Security, mainly so individuals can choose what's best for their health needs.

Addressing one of the main complaints — that health care costs are outpacing fixed incomes — is a main goal of attempts to reform the U.S.

health care and insurance system.

Another gripe — having to pay full price for brand name prescription drugs while in the infamous "doughnut hole" in Medicare's drug benefit — now is being addressed for the first time. Last week, federal officials and the pharmaceutical industry announced an agreement to pursue steep, need-based discounts on such drugs.

Sometimes, people are unpleasantly surprised by changes to their Medicare coverage because they have not read the Annual Notice of Change they are sent in October or November.

"The Centers for Medicare and

Medicaid Services typically see a spike in complaints every January when the new benefit year for prescription drug coverage kicks in, with beneficiaries arguing that they didn't know they had to pay more, that they didn't know a medication they once took is no longer on their plan's formulary," said Jeffrey Hall, communications director for Medicare's New York regional office.

There are three keys to getting the best out of Medicare: 1) having a basic understanding of the program; 2) choosing coverage that balances cost and care; and 3) paying attention and adjusting as needed.

Get with the program: Parts A, B, C, D

All Medicare is divided into four Parts A, B, C and D.

Part A is insurance covering hospital care, nursing and home health care and hospice care for the terminally ill. The insurance generally covers 80 percent of costs. Most people are automatically enrolled in Part A when they turn 65 and pay no premium since this original part of Medicare is funded by payroll deductions.

Part B is outpatient medical insurance, covering doctor visits, lab tests, and medical supplies and services prescribed by doctors.

Many people not yet near retire-

ment think this, too, is free. It is not.

Marion Ingram, of Strathmere, said she thinks the general public does not understand that she and her fellow retirees pay through Social Security deductions for Part B outpatient coverage and for prescription coverage — and buy supplemental coverage for what Medicare does not cover.

"It's amazing. Even our own children, you'd think they'd understand, but it's a whole different world to them," Ingram said. "I know a lot of them seem to think us old people are getting all of this stuff for nothing."

Part C, also known as Medicare

Advantage, offers managed care plans from private insurers as an alternative to Part B coverage.

Medicare Advantage plans often include additional benefits, such as hearing aids, dental services and eyeglasses, Medicare spokesman Jeffrey Hall said. Some include prescription drugs, which most get under the next part.

Part D, the Medicare prescription drug benefit, began in 2006. Coverage is provided by private health insurers, with plans differing in costs, copays and list of medications covered or formulary.

Make timely choices or you'll pay the price

Medicare Parts B or C, and D are not mandatory, just absolutely essential for anyone without equivalent coverage through an ongoing group plan (a rare retirement benefit these days).

Each person has a seven-month window in which to make his or her original Medicare choices for outpatient care and prescription drugs without incurring a penalty for delaying — the month he or she turns 65, the three months prior to that and the three months afterward.

"You will get a letter about three months before your 65th birthday, letting you know about the benefits, and you have until three months after your birthday month to enroll in Medicare Part B, basic medical coverage, so you won't be penalized," Jeffrey Hall said.

The penalty — 10 percent increased monthly premiums for each year signing up for Parts B, C or D is delayed — is to discourage people from undermining the insurance by waiting until they are ill to sign up for the coverage.

Signing up for Social Security results in automatic enrollment in Medicare Part B for most, so if they have other equivalent health insurance — from a spouse or retirement plan — they can opt out within the seven-month window. Most equivalent plans, however, require a Part B sign-up and make that the primary insurer with the private plan secondary.

That is how it works for Joyce Vitulli, a retired teacher in Manahawkin. She has prescription drug coverage through her teacher retirement plan,

but it counts her Medicare Part B as her primary insurance and pays what that does not cover, typically 20 percent.

The main choices for most people are whether to get the added coverage of Part C, a Medicare Advantage plan, and which private insurance provider to pick for Part D, prescription drug coverage.

County-specific lists of all available options for those are online at www.medicare.gov — click on the link, "Learn more about plans in your area."

In Atlantic County, for example, there are 52 prescription drug plans and 16 Medicare Advantage health plans available, along with ratings, costs and other information. The state PAAD program will pay the premium for basic Part D drug plans costing no more than \$30.99 per month. The information also is available through the State Health Insurance Assistance Program, or SHIP, New Jersey's Medicare outreach program, by calling 800-792-8820.

SHIP representatives are available in each county, at offices for the aging and disabled.

Medicare recipients also may choose to buy Medigap coverage for costs not covered by regular Medicare — for example, the 20 percent typically not paid by Medicare, or the \$267 to \$534 per day deductible for hospital stays lasting longer than 60 days.

Hall said new Medicare recipients have 60 days to sign up for Medigap coverage, and then a period to enroll or make changes from Nov. 15 to Dec. 31 each year.

Watch and adjust prescription coverage

Michael Castiglioni, of Vineland, examined Medicare Advantage plans carefully before choosing one from Horizon.

He considered coverage, deductibles, copay and such, but he also looked further, into other benefits of the plan.

"One advantage of the plan I have is that I get preventive features for free. I can go to the gym, consult a nutritionist. Some of these features are very nice," Castiglioni said.

He said it is important to pick a plan that covers the medicines you are taking — and even that is not enough.

"You have to watch carefully because every once in a while they send a letter telling which drugs they're no longer covering," Castiglioni said. Such coverage changes can make it beneficial to switch plans during the next enrollment period.

Marie A. Lawrence, of North Cape May, has supplemental coverage with AARP that takes care of what Medicare does not pay.

"The last couple of years, I've gone through a lot of medical bills related to cancer, and so far I haven't paid a cent," Lawrence said.

She called AARP's coverage the most reasonable, but her premium has gone up along with Medicare, from \$111 to \$203 per month.

Most recipients said billing by doctors required no effort on their part, but Joyce Vitulli, of Manahawkin, found that was not the case with medical lab filings.

"They may not put down all of the required informa-

tion, and Medicare won't pay the whole thing unless the tests are written out," Vitulli said. "Those are the kinds of things you have a problem with."

The biggest problems, however, are the drug coverage gap (or doughnut hole) and costs that rise even as the inflation adjustment to Social Security shrinks.

Typically, plans cover the first \$2,700 in drugs and then recipients must pay all drug costs out of pocket. Once they have paid \$4,350, though, so-called catastrophic coverage begins, and they pay just a small copay for drugs the rest of the year.

The agreement between the pharmaceutical industry and the federal government seeks to cut those doughnut-hole costs significantly for most people.

Unless health care reform gets costs under control, they will continue to outpace general inflation and therefore the annual adjustment Social Security makes in its benefit payments.

Seniors had grown accustomed to the annual adjustment offsetting the annual increases in Medicare costs, but with inflation near zero, the cost of living increase is far smaller now.

"Unfortunately, most elderly spending is on health care, and health care has not gone down" like gasoline and house prices, said Marion Ingram, of Strathmere. "We can cut back on eating out, clothes and everything else, but we can't cut back on medical care."

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AARP membership gives seniors clout with their legislators

■ 'The great thing is that we have a voice, that we're not just one person but many,' says Minnie Calendar, an AARP regional coordinator.

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Retired people track the issues important to them and vote in higher percentages than other age cohorts.

The leader in exercising that political power is a nonprofit group that used to have "Retired" as its middle name.

Now simply known as the AARP, it organizes senior citizens from the grassroots to national levels and keeps them informed on matters such as health care, taxes, energy costs, insurance and more.

Minnie Calendar is the regional coordinator for AARP in Atlantic and Cape May counties.

Retired people are members of local chapters that stay on top of issues affecting senior citizens right down to the municipal level, she said.

There are six chapters in Cape May County, five in Atlantic, three in southern Ocean County and one in Cumberland.

"This is our mechanism for getting the word out, for letting politicians know this is a force to be reckoned with," Calendar said.

Chapters meet with legislative representatives and decide whether or not to support particular candidates during elections.

"We consider all issues affecting people 50 and older. We're no longer just for retired people. Any local issue comes to the local chapter," she said.

"The great thing is that we have a voice, that we're not just one person but many."

Marion Ingram, representative for the Ocean County AARP chapter, said increasing costs are a special concern to the state's 11,000 members, since many have fixed incomes.

She said seniors have lost 20 percent of their purchasing power since 2000, in large part because home insurance is up 60 percent, property taxes up 77 percent, heating oil up 96 percent, and Medicare Part B premiums up 119 percent since 2000, according to a Senior Citizens League report.

If that sounds like a fight that is never done, there is also a camaraderie.

"It's a joy giving back. People who are retired volunteer their services, and nobody gets a penny," Calendar said. "The only reward is to see that seniors are taken care of."

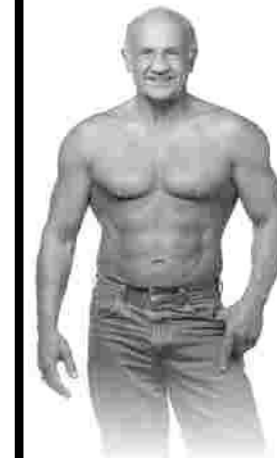
For more information on the AARP locally and in New Jersey, call Calendar at 609-463-8247 or visit: www.aarp.org/nj.



On the Web To find all these stories online or to save them as full pages, search RetireGuideAtPressofAtlanticCity.com

How Does This 69-Year-Old Doctor Have The Body Of A 30-Year-Old?

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Jeffrey Life, MD, pictured at age 67, after CeneGenics as featured in GQ magazine. This photo is not enhanced in any way.



Dr. Life, pictured at age 57, before CeneGenics.

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