

WHAT IS MEDIGAP?



A Medicare Supplement Insurance policy (also known as Medigap) covers your out of pocket costs and liabilities that are left to you after Medicare Parts A and B pay their portion of your healthcare expenses. Medicare Supplement plans are sold by private insurance companies and are standardized by the government, which means that all companies must offer the exact same plan benefits and rules for each plan.

Some Medigap policies also offer coverage for services that Original Medicare doesn't cover.

* If you have Original Medicare with a Medigap, Medicare will pay its share of covered health care costs, then your Medigap policy pays its share.

WHY MEDIGAP?

Without Medigap, these are some of the out-of-pocket costs you may need to pay:



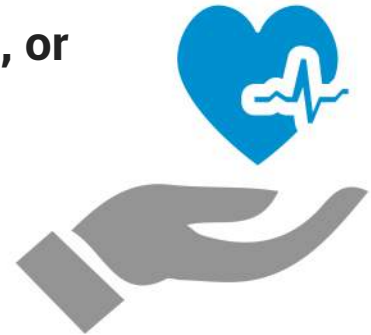
*Based on 2015 costs

**Unless you have long-term care insurance or Medicaid

WHAT DOCTORS CAN I SEE WITH MEDIGAP?

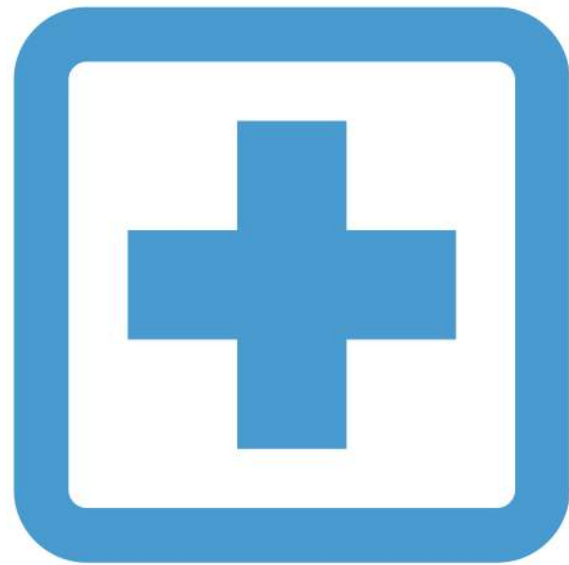


With a Medigap plan, you can see and are covered by any doctor, hospital, or health care provider that accepts Medicare.



If a health care provider of any kind takes Medicare, then your Medigap will automatically be accepted. There are no networks you must stay in and no referrals that are required.

Your Medigap company pays your bills directly to your healthcare providers for their services, so you do not have to manage the claims and billing process yourself, creating a more convenient and clear experience.



Note: There are no state boundaries with a Medicare Supplement plan. All Medicare Supplement plans will work and be taken the same way anywhere in the country. Even medically necessary emergency care outside the US is covered.

WHAT ARE MY RIGHTS WITH MEDIGAP?

People who purchase a Medigap policy have certain rights and protections:

These rights serve to protect you to make sure your health care coverage stays on track. Healthcare in retirement grows increasingly important; combining your Original Medicare Part A and B with a Medicare Supplement policy plan that offers a clear and secure set of benefits and services.



Guaranteed Issue Rights

Preventive Services

Guaranteed Renewable

Free-Look Period

Plan Standardization

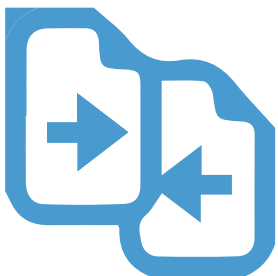
Individual Claims Protection

WHAT ARE THE DIFFERENT PLANS AVAILABLE?

Medicare Supplements are designated with letters, and come in "PLANS" A to N. Not to be confused with the categories of Medicare coverage which are defined in "PARTS", A, B, C, D. Although there are 11 different Medicare Supplement Plans (letters A-N), most seniors have either **Plan F, Plan G, or Plan N.**

Medicare Supplement Insurance (Medigap) Plans										
Benefits	A	B	C	D	F*	G	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%

HOW TO COMPARE PLANS?



Medicare Supplement Plans are standardized by the government, which means that all companies must offer the exact same coverage and benefits for a specific plan letter.

For example, if a Medicare Supplement Plan F is sold by Company 1, it must have the same exact benefits as Plan F sold by Company 2, and every other company that offers Plan F.

HOW TO ENROLL?

When an individual first enrolls in Medicare Part B, they have a 6-month guaranteed issue right to be accepted into any Medicare Supplement plan with any company. This means that, regardless of your health status, the insurance company is required to accept you without any health questions asked.



After this 6-month guaranteed issue period, the insurance company will have an underwriting process that includes health questions, and sometimes a phone call, and can use their own discretion whether to accept you based on your health status.

DO I HAVE TO RE-ENROLL IN MY PLAN EACH YEAR?



Fortunately, no. Other than making sure you are paying your premiums, you do not have to do a thing to stay in your plan each year. Unlike Medicare Advantage plans which change their benefits each year and require annual re-enrollments, your Medicare Supplement insurance company renews your policy automatically each year. This means that your coverage continues year after year as long as you pay your bill. Your policy is what is called “guaranteed renewable.”

5 THINGS TO REMEMBER ABOUT MEDIGAP POLICIES

- 1** You must have Medicare Part A and Part B.
- 2** If you have a Medicare Advantage Plan, you can apply for a Medigap policy, but make sure you can leave the Medicare Advantage Plan before your Medigap policy begins.
- 3** A Medigap policy only covers one person. If you and your spouse both want Medigap coverage, you'll each have to buy separate policies.
- 4** You can buy a Medigap policy from any insurance company that's licensed in your state to sell one.
- 5** You pay the private insurance company a monthly premium for your Medigap policy in addition to the monthly Part B premium that you pay to Medicare.

CAN I CHANGE MY PLAN? WHEN?



Medicare Supplement Plans can be changed at any time during the year. You do not have to wait till Annual Open Enrollment, or AEP, which is Oct 15th to Dec 7th every year. (That's when you see all the TV commercials!) That period is only for those who are switching their Medicare Advantage plans (Part C) or their prescription drug plans (Part D). This fact is often unknown, or misunderstood.

WHAT DO I DO ABOUT PRESCRIPTION DRUG COVERAGE?



Medicare Supplements do not include prescription drug coverage. Drug coverage is added through a Medicare Part D drug plan that can be purchased directly from Medicare.gov. Your Part D prescription plan does not have to be with the same carrier you have your Medicare Supplement with.

WHAT ARE THE COSTS FOR A MEDICARE SUPPLEMENT?

The Premiums for Medicare Supplement plans posted by each company are based on 4 things: the plan letter you choose, your age, your zip code grouping, and whether or not you use tobacco. Many companies now also include a household or spousal discount if multiple members of the same household are enrolled with the same company, which with some companies can reduce your premiums by up to 12% a year. Taking into account all of these factors, if a proper Marketplace price comparison is done, most people will pay between \$120-\$175 a month for their plan.



WHAT IF I CHANGE MY MIND AFTER PURCHASING MY PLAN?



By law, when you buy a Medigap you have a 30-day “free look” or “trial” period. If you change your mind, you can cancel it and get a refund. You must do this within 30 days of the day your policy started.

These rules for Medicare Supplement companies are standardized and regulated by the Federal government to provide simplicity and uniformity to make understanding and comparing the plans easier for you, the consumer.

While these rules make it very easy to compare the Plan benefits, each insurance company still sets its own prices for its Plans, and these prices can vary significantly from one company to the next, which makes it very important to compare prices from the top carriers and determine which carrier is going to provide you with the most cost efficient solution.