

Medicare Supplement Plans

A Medicare Scholar® Presentation



Agenda

- What are they?
- What do they cover?
- How much do they cost?
- When can you buy one?

Medicare Supplement Plans

- Sometimes called Medigap plans
- Sold by private insurance companies
- Designed to fill the gaps of Original Medicare Parts A & B
- Can see any doctor or hospital that participates in Medicare
- 10 standardized plans (except MA, MN & WI)

What do they
cover?

Gaps in Part A

- Inpatient Deductible
- Inpatient Copays days 61+
- Skilled Nursing Facility Coinsurance
- Hospice Copay
- First 3 pints of blood

Gaps in Part B

- Annual Deductible
- 20% Coinsurance
- Part B Excess Charges

Other Gaps

- Foreign Travel
- Additional Home Health Care
- Preventive Services

National Options

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)	X	X	X	X	X	X	X	X	X	X
Medicare Part B coinsurance or copayment	X	X	X	X	X	X	50%	75%	X	X**
Blood (first 3 pints)	X	X	X	X	X	X	50%	75%	X	X
Part A Hospice care coinsurance or copayment	X	X	X	X	X	X	50%	75%	X	X
Skilled nursing facility care coinsurance			X	X	X	X	50%	75%	X	X
Part A deductible		X	X	X	X	X	50%	75%	50%	X
Part B deductible			X		X					
Part B Excess Charges					X	X				
Foreign Travel Emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-Pocket Limit 2020			
							\$5,880	\$2,940		

Plans F & G

Benefits	F	G
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	X	X
Medicare Part B coinsurance or copayment	X	X
Blood (first 3 pints)	X	X
Part A Hospice care coinsurance or copayment	X	X
Skilled nursing facility care coinsurance	X	X
Part A deductible	X	X
Part B deductible	X	
Part B Excess Charges	X	X
Foreign Travel Emergency (up to plan limits)	80%	80%

- Coverage of the Part B deductible is only allowed for individuals that turned 65 or were active on Medicare prior to January 1st, 2020
- These plans are also available as high-deductible plans

Plan N

Benefits	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	X
Medicare Part B coinsurance or copayment	X*
Blood (first 3 pints)	X
Part A Hospice care coinsurance or copayment	X
Skilled nursing facility care coinsurance	X
Part A deductible	X
Part B deductible	
Part B Excess Charges	
Foreign Travel Emergency (up to plan limits)	80%

- Pay up to a \$20 copay for doctor office visits
- Pay up to a \$50 copay for emergency room visits (waived if admitted to the hospital)

Plans K & L

Benefits	K	L
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	X	X
Medicare Part B coinsurance or copayment	50%	75%
Blood (first 3 pints)	50%	75%
Part A Hospice care coinsurance or copayment	50%	75%
Skilled nursing facility care coinsurance	50%	75%
Part A deductible	50%	75%
Part B deductible		
Part B Excess Charges		
Foreign Travel Emergency (up to plan limits)		
	Out-of-Pocket Limit 2020	
	\$5,880	\$2,940

- Cost sharing plans K & L pay 50% and 75% of covered gaps, respectively
- Once policyholder's out of pocket reaches annual limit, gaps covered 100% by plan

Select Medigap Plans

- Requires you to use hospitals and, in some cases, doctors within its network to be eligible for full benefits (except in an emergency)
- Plans available in specific zip-code areas
- Allowed to change plans if you move outside of the service area

How much do they cost?

How much do they cost?

- Generally, lower benefits mean lower premiums & higher benefits mean higher premiums.
- Premiums can vary based on your age, gender, zip code, health conditions and tobacco use

Attained Age Policies

- Premium based on age, gender, zip code, tobacco use and possibly health conditions
- Increases each year as you age
- Premiums can change when the company adjusts rates for all policyholders

Issue Age Policies

- Premiums based on your age when you first purchase the policy, zip code and tobacco status
- Premiums can change when the company adjusts rates for all policyholders

Community Rated Policies

- Premiums are the same for all policyholders regardless of gender and age
- Premiums can vary based on zip code, tobacco use and health conditions
- Premiums can change when the company adjusts rates for all policyholders



When can I buy one?

Open Enrollment Period

- 6 months starting when you turn age 65 or sign up for Part B
- Can choose any plan with any carrier
- Cannot be denied due to health history

Guaranteed Issue

Certain situations when you have a right to buy a policy and your acceptance is guaranteed. For example:

- You have an employer group plan and that plan is ending
- Your Medicare Advantage plan is leaving the area
- You move out of your Medicare Advantage plan's service area
- Other situations apply

Underwriting

You can apply for a policy at any time, as long as you can pass medical underwriting

- Series of yes/no health questions
- May ask for prescription information
- May require a telephone interview
- NOTE: do not cancel your current coverage until you receive an approval from the Medicare Supplement carrier

Special State Provisions

- California – annual open enrollment lasting 90 days, beginning 30 days before and ending 60 days after your 65th birthday, where you can replace any Medicare Supplement policy with a policy of equal or lesser benefits
- CT, NY & VT – year-round Open Enrollment

Special State Provisions

- Missouri – individuals who terminate a Medicare Supplement policy within 30 days of the annual anniversary date may obtain the same plan with no health questions from any issuer that offers that plan
- Oregon – annual Open Enrollment lasting 60 days, beginning 30 days before and ending 30 days after your birthday, where you can replace any Medicare Supplement policy with a policy of equal or lesser benefits

Under Age 65 Plans

- Many states offer plans to individuals who qualify for Medicare due to disability or specified disease under age 65
- Available plans may vary
- Certain time restrictions may apply

Guaranteed Renewable

- Insurance carriers cannot cancel your policy, for any reason, as long as you pay your premium
- Portability – you can move from one state to another
- Carriers cannot single you out for a rate increase or cancel your policy based on health conditions

Prescription Coverage

Medicare supplement policyholders must purchase a stand-alone Part D plan to cover their outpatient prescription drugs

Questions?





Thank you for attending!

Sources

- 2020 Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare
- 2020 Wisconsin Guide to Health Insurance for People with Medicare
- <https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies/medigap-in-massachusetts>
- <https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies/medigap-in-minnesota>