

2013 National Training Program

Module: 3

Medigap (Medicare Supplement Insurance)



Module 3: Medigap (Medicare Supplement Insurance) Policies

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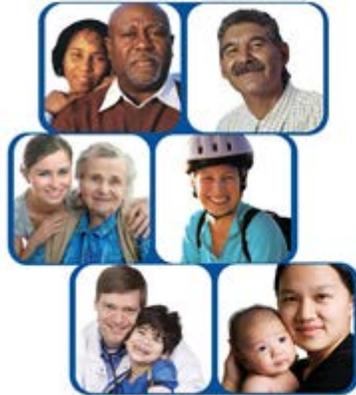
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This module can be presented in 1 hour.
Allow approximately 30 more minutes for
discussion, questions and answers, and the
learning activities.

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National Training Program



Module 3 Medigap (Medicare Supplement Insurance) Policies

Module 3 explains Medigap (Medicare Supplement Insurance) policies.

This training module was developed and approved by the Centers for Medicare & Medicaid Services (CMS), the Federal agency that administers Medicare, Medicaid, and the Children's Health Insurance Program (CHIP).

The information in this module was correct as of May 2013.

To check for updates on the new health care legislation, visit www.HealthCare.gov.

To read the Affordable Care Act visit www.HealthCare.gov/law/full/index.html.

To check for an updated version of this training module, visit <http://www.cms.gov/Outreach-and-Education/Training/NationalMedicareProgTrain/Training-Library.html>.

This set of National Medicare Training Program materials is not a legal document. The official Medicare program provisions are contained in the relevant laws, regulations, and rulings.



Session Objectives

This session will help you to

- Explain what Medigap policies are
- Relate steps needed to buy a Medigap policy
- Define the best time to buy a Medigap policy
- Explain Guaranteed Issue Rights
- Know where to get information on Medigap rights and protections

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Medigap (Medicare Supplement Insurance) Policies

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This session will help you to

- Explain what Medigap policies are
- Relate steps needed to buy a Medigap policy
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- Explain Guaranteed Issue Rights
- Know where to get information on Medigap rights and protections



Lesson 1 - What is a Medigap policy?

A Brief Introduction to Medigap Policies

- How Medigap works with Original Medicare
- Medigap plan coverage

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This brief lesson gives you basic information on Medigap policies. It discusses how Medigap plans work with Original Medicare, and what Medigap plans cover.

Gaps in Original Medicare Coverage

- Original Medicare doesn't cover everything
 - Original Medicare pays a share
 - You pay a share
 - Deductibles
 - Coinsurance/Copayments
 - Monthly Premiums
- Medigap policies
 - Pay all or part of your share
 - Coverage depends on the Medigap plan you buy

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Medigap (Medicare Supplement Insurance) Policies

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There are gaps in Original Medicare coverage, which means Original Medicare doesn't cover everything. Original Medicare pays a share of your Medicare-covered, medically-necessary services and supplies.

People with Original Medicare are responsible for a share of their Medicare-covered services and supplies.

- You generally pay a set amount for your health care (deductible) before Medicare pays its share.
- Then, Medicare pays its share, and you pay your share (coinsurance/copayment) for covered services and supplies. There's no yearly limit for what you pay out-of-pocket.
- You usually pay a monthly premium for Part B.

Medigap policies help cover the gaps in Original Medicare coverage. Medigap, in most cases, only pays a share towards Medicare-covered services and supplies.

Coverage depends on the Medigap plan you buy.

More detailed information about Medicare coverage is available in the publication *Your Medicare Benefits*, CMS Product No. 10116, and on www.Medicare.gov under "What Medicare Covers".

Medigap Policy Coverage

- Medigap policies pay for Medicare-covered services provided by any doctor, hospital, or provider that accepts Medicare
- Some may cover some things Medicare doesn't
 - Depending on the Medigap plan

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Medigap Policy Coverage

- Medigap policies pay for Medicare-covered services provided by any doctor, hospital, or provider that accepts Medicare.
- Some may cover some things Medicare doesn't, depending on the Medigap plan.



Lesson 2- Review of Medicare Basics

- Two Ways to Get Medicare
- What is Covered in Original Medicare
 - Part A
 - Part B

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This lesson explains

- The two ways you can get your Medicare coverage
- What is Covered in Original Medicare
 - Part A
 - Part B

Two Ways to Get Medicare

1. Original Medicare
 - Part A (Hospital Insurance)
 - Part B (Medical Insurance)
 - Can choose to buy Part D (Rx coverage)
 - *Can choose to buy Medigap Policy*
2. Medicare Advantage Plans (Part C)
 - Include Part A and Part B
 - Sometimes include Part D (Rx coverage)
 - *Medigap doesn't work with these plans*

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There are two main ways to get your Medicare coverage. You decide which way to get your coverage:

1. Original Medicare includes Part A (Hospital Insurance) and Part B (Medical Insurance). You can choose to buy Medicare prescription drug coverage (Part D) from a Medicare Prescription Drug Plan. You can also choose to buy a Medigap policy to help cover costs not covered by Original Medicare.
2. Medicare Advantage Plans (Part C), like a Health Maintenance Organization or a Preferred Provider Organization, cover Part A and Part B services and supplies. They also may include Medicare prescription drug coverage (Part D). Medigap policies don't work with these plans.

A chart that shows how you can get your Medicare coverage, and the decisions you need to make, appears on page 55 of the *2013 Medicare & You Handbook*, CMS Product No. 10050. A copy of this chart is provided in the corresponding workbook. See Appendix A.

Part A – What You Pay in Original Medicare – 2013

Hospital Inpatient Stay	<ul style="list-style-type: none"> ▪ \$1,184 deductible and no coinsurance for days 1–60 each benefit period ▪ \$296 per day for days 61–90 each benefit period ▪ \$592 per “lifetime reserve day” after day 90 of each benefit period (up to 60 days over your lifetime) ▪ All costs for each day after the lifetime reserve days ▪ Inpatient mental health care in a psychiatric hospital limited to 190 days in a lifetime
Skilled Nursing Facility Stay	<ul style="list-style-type: none"> ▪ \$0 for the first 20 days each benefit period ▪ \$148 per day for days 21–100 each benefit period ▪ All costs for each day after day 100 in a benefit period
Home Health Care	<ul style="list-style-type: none"> ▪ \$0 for home health care services ▪ 20% of the Medicare-approved amount for durable medical equipment

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There are costs you pay in Original Medicare. Some of these costs may be covered by a Medigap policy. This is what you pay in 2013 for Part A covered medically-necessary services.

- Hospital Inpatient Stays
 - \$1,184 deductible for days 1 – 60
 - \$296 per day for days 61 – 90
 - \$592 per day for days 91 – 150
 - All costs after day 150
 - Inpatient mental health care in a psychiatric hospital limited to 190 days in a lifetime
- Skilled Nursing Facility Stay
 - \$0 for first 20 days
 - Up to \$148 per day for days 21 – 100
 - 100% after day 100
- Home Health Care
 - \$0 for home health care services
 - 20% for durable medical equipment for providers accepting assignment (must use a contract provider if in a Competitive Bidding Area)

Part A – What You Pay in Original Medicare – 2013	
Hospice Care	<ul style="list-style-type: none"> ▪ \$0 for hospice care ▪ A copayment of up to \$5 per prescription for covered outpatient prescription drugs for symptom control or pain relief ▪ 5% of the Medicare-approved amount for inpatient respite care (short-term care given by another caregiver so the usual caregiver can rest) ▪ All costs for room and board for hospice care in your home or another facility where you live (like a nursing home).
Blood	If the hospital buys the blood, you must either pay the hospital costs for the first 3 units you get in a calendar year or have the blood donated. Otherwise, no cost.

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Part A covered medically-necessary services - What you pay in 2013

Hospice Care

- 5% for inpatient respite care
- Room and board, in some cases
- \$5 for outpatient prescription drugs for symptom control or pain relief.

Blood

- If you are an inpatient, need blood, and the hospital has to buy blood for you, each calendar year you would pay for the first 3 pints (the deductible) and 20% for any additional pints, unless you or someone else donates blood to replace what you use. In most cases, the hospital gets blood from a blood bank at no charge and you won't have to pay for it or replace it. Many people ask how much blood costs. The costs vary from hospital to hospital, but are often between \$200 and \$300 per pint.

Part B – What You Pay in Original Medicare – 2013	
Monthly Premium	\$104.90 if new to Medicare in 2013*
Yearly Deductible	\$147.00
Coinsurance for Part B Services	<ul style="list-style-type: none"> ▪ 20% coinsurance for most covered services, like doctor’s services and some preventive services, if provider accepts assignment ▪ \$0 for some preventive services ▪ 35% coinsurance for outpatient mental health (20% in 2014) ▪ Copayments for hospital outpatient services

*Maybe higher based on income.

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Additional gaps or out-of-pocket Part B expenses in Original Medicare include the following:

- The Part B monthly premium. The standard Medicare Part B monthly premium is \$104.90 in 2013.
- The Part B deductible is \$147 per year in 2013.
- Coinsurance for Part B services
 - In general, 20% for most covered services for providers accepting assignment. (Covered services include medically-necessary doctor’s services; outpatient therapy such as physical therapy, speech therapy, and occupational therapy subject to limits; most preventive services; durable medical equipment; and blood received as an outpatient that was not replaced after the first 3 pints).
 - Some preventive services have no coinsurance and the Part B deductible doesn’t apply as long as the provider accepts assignment.
 - You pay 35% for outpatient mental health services for providers accepting assignment. The percentage will be changing in 2014 to 20%.

Medicare Dictionary

Assignment – An agreement between Medicare and health care providers and suppliers to accept the Medicare-approved amount as payment in full. You pay the deductibles and coinsurance (usually 20% of the approved amount). If assignment is not accepted, providers can charge you up to 15% above the approved amount (called the “limiting charge”) and you may have to pay the entire amount up front.

Check Your Knowledge – Lesson 2



Original Medicare covers all of your health care expenses.

- a. True
- b. False



Refer to page 52 to check your answers.



Lesson 3 – How Medigap (Medicare Supplement Insurance) Policies Work

- Standardized Plans
- Benefits by Plan
 - Special Plans
- What is not covered?

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How Medigap (Medicare Supplement Insurance) Policies Work explains

- Standardized Plans
- Benefits by Plan
 - Including special plans
- What is not covered?

What is Medigap?

- Private health insurance for individuals
- Sold by private insurance companies
- Supplements Original Medicare
 - Pays share of Medicare-covered services
 - Some plans may cover extras
- Follow Federal/state laws that protect you

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Medigap (Medicare Supplement Insurance) Policies

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Medigap policies are private insurance policies that cover only the policyholder. Spouses must purchase their own separate Medigap policy.

They are sold by private health insurance companies.

They supplement Original Medicare (help pay for “gaps” in Original Medicare coverage, like deductibles, coinsurance and copayments).

All Medigap policies must follow Federal and state laws that protect people with Medicare.

More detailed information about Medicare coverage is available in the publication *Your Medicare Benefits*, CMS Product No. 10116, and in the CMS National Training Program Module 1 – *Understanding Medicare*, and on www.Medicare.gov under “What Medicare Covers.”

Buying a Medigap Policy

- You must have both Medicare Parts A and B
- You pay a monthly premium for Medigap
- You still pay the Medicare Part B premium
- Medigap policies cover one person
- Benefits are standardized
- Costs vary by plan and by company
- Do not usually cover prescription drugs

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Medigap (Medicare Supplement Insurance) Policies

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There are some key points you should know about Medigap. To buy a Medigap policy, you generally must have Medicare Part A **and** Part B.

If you buy a Medigap policy you must continue to pay your Medicare Part B premium. You pay the insurance company a monthly premium for your Medigap policy.

Medigap policies only cover individuals. Your spouse would not be covered by your policy. If your spouse wants Medigap coverage they would have to purchase their own individual policy.

Medigap insurance companies in most states can only sell you a “standardized” Medigap policy identified by letters A through N. Each standardized Medigap policy must offer the same basic benefits, no matter which insurance company sells it.

The costs for a Medigap policy can vary by the plan you choose, and by the company from which it is purchased.

Medigap policies do not work with Medicare Advantage Plans.

Medigap policies issued after January 1, 2006, do not include prescription drug coverage. Those people that currently have a policy with prescription drug coverage may opt to keep that coverage or switch to a Medicare prescription drug plan.

Medigap Costs

- Cost (monthly premium) depends on
 - Your age (in some states)
 - Where you live (e.g., urban, rural, or ZIP Code)
 - Company selling the policy
 - Discounts (female, non-smokers, married couples)
 - Medical underwriting
- Premiums may vary greatly for same Medigap plan

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Medigap (Medicare Supplement Insurance) Policies

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There can be big differences in the premiums that different insurance companies charge for exactly the same coverage.

Cost depends on

- Your age (in some states)
- Where you live (e.g., urban, rural, or ZIP Code)
- Company selling the policy

Premiums may vary greatly for the same coverage.

Compare the same Medigap plan sold by different companies.

- Some companies offer discounts for females, non-smokers, and/or married couples.
- Medical underwriting can also affect cost since some plans may charge more if you have a pre-existing medical condition.

Medicare Dictionary:

Medical Underwriting – The process that an insurance company uses to decide, based on your medical history, whether to take your application for insurance, whether to add a waiting period for pre-existing conditions (if your state law allows it), and how much to charge you for that insurance.

Standardized Medigap Plans

- Plans identified by a letter
 - Plans A, B, C, D, F, G, K, L, M, N are currently sold
 - Companies don't have to sell all plans
 - Plans E, H, I, J exist but are no longer sold
- Waiver states have non-standardized plans
 - Massachusetts
 - Minnesota
 - Wisconsin

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Medigap (Medicare Supplement Insurance) Policies

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Standardized Medigap plans

Medigap insurance companies in most states can only sell you a “standardized” Medigap policy.

As of June 1, 2010, the standardized policies being sold include Plans A, B, C, D, F, G, K, L, M, and N. The insurance companies don't have to sell all plans. Plan F has a high-deductible option.

Companies must offer Medigap Plan A if they offer any other Medigap policy. If a company sells additional plans other than Plan A, it must also offer Plan C or Plan F.

Prior to June 1, 2010, 4 other standardized plans were sold in most states, plans E, H, I, and J. These plans are still in existence but are not being sold.

Some people may still have a Medigap policy they purchased before the plans were standardized.

Medigap policies are standardized in a different way in Massachusetts, Minnesota, and Wisconsin. These are called waiver states.

Rules for Standardized Plans

- Each plan with the same letter must offer same basic benefits
- For instance, all Medigap Plan A policies
 - Offer the same benefits
 - Only the policy cost will vary between companies

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Medigap (Medicare Supplement Insurance) Policies

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The benefits in any Medigap plan identified with the same letter are the same regardless of which insurance company you purchase your policy from. So for instance, all Medigap Plan A policies offer the same benefits.

The costs may vary, so it's important to check with different companies licensed to sell Medigap policies in your state.

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%
Medicare Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B deductible			100%		100%					
Medicare Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			100%	100%	100%	100%			100%	100%
*Plan F also offers a high-deductible plan in some states							Out-of-pocket limit in 2013			
							\$4,800	\$2,400		

All Medigap policies cover a basic set of benefits, including:

- Medicare Part A coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used up
- Medicare Part B coinsurance or copayment
- Blood (First 3 Pints)
- Part A Hospice Care coinsurance or copayment

In addition, each Medigap Plan covers different benefits:

- The skilled nursing facility care coinsurance is covered by Medigap Plans C, D, F, G, K (at 50%), L (at 75%), M and N
- The Medicare Part A deductible is covered by Medigap Plans B, C, D, F, G, K (at 50%), L (at 75%), M (at 50%), and N
- The Medicare Part B deductible is covered by Medigap Plans C and F
- The Medicare Part B excess charges are covered by Medigap Plans F and G
- Foreign travel emergency costs up to the plan's limits are covered by Medigap Plans C, D, F, G, M and N

*Plan F also offers a high-deductible plan in some states.

**Plans K and L have out-of-pocket limits of \$4,800 and \$2,400 respectively in 2013.

Special Types of Medigap Plans

- High-deductible Plan F
- Plans K and L
- Massachusetts, Minnesota, and Wisconsin (waiver states)
- Medicare SELECT (network plans)

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Medigap (Medicare Supplement Insurance) Policies

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There are special types of Medigap plans that include

- High-deductible Plan F
- Plans K and L
- Massachusetts, Minnesota, and Wisconsin (waiver states)
- Medicare SELECT (network plans)

High-Deductible Option – Plan F

- \$2,110 deductible for 2013
 - Amount can go up each year
- Often have lower premiums
- Out-of-pocket costs may be higher
- May not be able to change plans
- Additional deductibles
- Not available in all states

Note: As of June 1, 2010 high-deductible Plan J is no longer sold. If you have one you can keep it.

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Medigap (Medicare Supplement Insurance) Policies

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Insurance companies are allowed to offer a “high-deductible option” on Plan F.

- With this option, you must pay a \$2,100 deductible in 2013 before the plan pays anything (amount can go up each year).
- High-deductible policies often have lower premiums.
- Your out-of-pocket costs may be higher.
- You may not be able to change plans. It’s the insurer’s option to allow a change in plans, e.g., some plans may not allow a change from a regular Plan F to a high-deductible Plan F.
- In addition to paying the deductible for the high-deductible option on Plan F, you must also pay a deductible for foreign travel emergencies (\$250 per year for Plan F).
- High-deductible Plan F is not available in all states.
- Plan J is no longer sold as of June 1, 2010, and was not available in all states. However, if you have one, you can keep it.

Medigap Plans K and L

- Pay only partial costs after Medicare pays
- Have annual out-of-pocket maximum

	Plan K	Plan L
Percent Plan Pays for Most Services	50%	75%
2013 Out-of-Pocket Limit	\$4,800	\$2,400

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Medigap (Medicare Supplement Insurance) Policies

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The Medicare Modernization Act of 2003 created two new Medigap plans, Plans K and L (which also can be sold as Medicare SELECT).

- Plans K and L must include the basic benefits.
- Plans K and L only pay partial costs after Medicare pays.
 - Plan K pays 50% of your deductible and coinsurance or copayment for most services.
 - Plan L pays 75% of your deductible and coinsurance or copayment for most services.
- Plans K and L have annual out-of-pocket maximums.
 - In 2013, Medigap Plan K has a \$4,800 out-of-pocket annual limit, and Plan L has a \$2,400 out-of-pocket annual limit.
- The out-of-pocket annual limits can increase each year because of inflation.
- Once you meet the annual limit, the plan pays 100% of the Medicare Part A and Part B copayments and coinsurance for the rest of the calendar year, as well as the Part B deductible if it has not already been paid.

Charges from a doctor who doesn't accept assignment that exceed Medicare-approved amounts, called "excess charges," aren't covered and don't count toward the out-of-pocket limit. You will have to pay these excess charges. Excess charges are generally limited to 15% above the Medicare-approved amount.

Minnesota, Massachusetts, Wisconsin

- Waiver states
- Different kinds of Medigap policies
- NOT labeled with letters
- Benefits comparable to standardized plans
 - Basic and optional benefits
- For information
 - Call State Insurance Department

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Medigap (Medicare Supplement Insurance) Policies

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Minnesota, Massachusetts, and Wisconsin are waiver states. This means they

- Provide different kinds of Medigap policies NOT labeled with letters
- Provide comparable benefits to standardized plans
 - Have a different system that includes basic (“core”) and optional (“rider”) benefits

Note to instructor: *If you don't work with people who live in one of these three states, you may want to hide this slide.*

Information on the coverage provided in these states is available in the *2013 Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare, CMS Product No. 02110*.

Call your State Health Insurance Assistance Program (SHIP) or your State Insurance Department for more information.

Medicare SELECT Policies

- A type of Medigap policy with a network
- To get full benefits (except in emergency)
 - Must use specific hospitals and
 - May have to see specific doctors
- Can be any of the standardized plans
- Generally cost less than non-network plans
- Can switch to plan with equal or lesser value

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Medigap (Medicare Supplement Insurance) Policies

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Another type of Medigap policy is called Medicare SELECT.

- Medicare SELECT can be any of the standardized Medigap Plans. You need to use specific hospitals and, in some cases, network doctors to get full insurance benefits (except in an emergency).
- For this reason, Medicare SELECT policies generally cost less.
- If you do not use a Medicare SELECT provider for non-emergency services, you may have to pay what Medicare does not pay. Medicare will pay its share of approved charges as long as your provider participates.

If you currently have a Medicare SELECT policy, you also have the right to switch, at any time, to any regular Medigap policy being sold by the same company. The Medigap policy you switch to must have equal or less coverage than the Medicare SELECT policy you currently have. At the present time, some Medicare SELECT plans in some states resemble Preferred Provider Organizations (PPOs).

Finding a Medigap Plan In Your Area

The screenshot displays the Medicare.gov website interface. At the top, the header includes the Medicare.gov logo and navigation links such as "Sign Up / Change Plans", "Your Medicare Costs", "What Medicare Covers", "Drug Coverage (Part D)", "Supplements & Other Insurance", "Claims & Appeals", "Manage Your Health", and "Help & Resources". Below the header is a search bar and a "Learn about your healthcare options" link. The main content area is titled "Medigap Policy Search" and features a form titled "Find a Medigap Policy in Your Area". The form includes a "ZIP Code:" field, a "Health Status (Optional):" dropdown menu, and a question "Do you have a Medigap (Medicare Supplement Insurance) Policy?" with radio buttons for "Yes" and "No". A "Continue" button is located at the bottom of the form. To the right of the form is a sidebar titled "Learn about Medigap Policies" with several bullet points: "What are my benefits in Original Medicare (without a Medigap policy)?", "What do Medigap policies cover?", "What rights do I have when it comes to buying a Medigap policy?", "How do insurance companies price 'rate' policies?", and "Finding a Medigap Policy & Guide to Health Insurance for People with Medicare". The footer of the page shows the date "05/01/2013", the page title "Medigap (Medicare Supplement Insurance) Policies", and the page number "24".

You can view the Medigap policies available in your area by using the Medigap Policy Search on www.medicare.gov under “Supplements and Other Insurance”.

Check Your Knowledge – Lesson 3



Which statement is true about buying a Medigap plan?

- a. You can buy a Medigap plan if you have both Medicare Parts A & B
- b. You can buy more than one Medigap plan
- c. You can buy a Medigap plan to supplement your Medicare Advantage Plan



Refer to page 52 to check your answers.



Lesson 4 - Buying a Medigap Policy

- When To Buy a Medigap Policy
- Switching Medigap Policies
- How Much a Medigap Policy Costs
- Steps to Buy a Medigap Policy

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Buying a Medigap Policy explains

- When To Buy a Medigap Policy
- Switching Medigap Policies
- How Much a Medigap Policy Costs
- Steps to Buy a Medigap Policy

When to Buy a Medigap Policy

- Medigap open enrollment period (OEP)
 - 6-months when insurance company must sell
 - Guaranteed issue period without medical underwriting
 - Insurance companies can't refuse to sell you any Medigap policy it offers, or
 - Charge you more for a Medigap policy
 - **Your one OEP begins when you are 65 or older and enrolled in Part B**
 - Can't be changed or replaced
 - Some states have more generous rules
- May be able to buy a Medigap policy any time
 - If insurance company will sell you one

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Medigap (Medicare Supplement Insurance) Policies

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The best time to buy a Medigap policy is during your Medigap open enrollment period. This period lasts for 6 months and begins on the first day of the month in which you're both 65 or older and enrolled in Medicare Part B. Some states have additional open enrollment periods including those for people under 65. During this period, an insurance company can't use medical underwriting. This means the insurance company can't do any of the following because of your health problems:

- Refuse to sell you any Medigap policy it offers
- Charge you more for a Medigap policy than they charge someone with no health problems
- Make you wait for coverage to start (except as explained below)

While the insurance company can't make you wait for your coverage to start, it may be able to make you wait for coverage related to a pre-existing condition.

Remember, for Medicare-covered services, Original Medicare will still cover the condition, even if the Medigap policy won't cover your out-of-pocket expenses. You may buy a Medigap policy any time an insurance company will sell you one, but some times are better than others. The best time to buy is during your 6-month Medigap open enrollment period.

Medicare Dictionary

Medical Underwriting—The process that an insurance company uses to decide, based on your medical history, whether or not to take your application for insurance, whether or not to add a waiting period for pre-existing conditions (if your state law allows it), and how much to charge you for that insurance.

Delayed Medigap Open Enrollment Period

- If you delay enrolling in Medicare Part B
 - Because you or your spouse is **still** working, **and**
 - You have group health coverage
- Medigap open enrollment period is delayed
 - Until you are 65 **and** are enrolled in Part B
 - No late enrollment penalty
- Notify Social Security to delay Part B

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You may want to delay enrolling in Medicare Part B if you or your spouse are working and you have group health coverage through an employer or union based on your or your spouse's **current active employment**.

Your Medigap open enrollment period won't start until after you sign up for Medicare Part B and you won't have to pay a late enrollment penalty.

If you delay Part B you delay your open enrollment period. Remember, once you're age 65 or older **and** are enrolled in Medicare Part B, the Medigap open enrollment period starts and cannot be changed. Some states have more generous rules, such as continuous open enrollment periods.

If you are **not** going to enroll in Part B due to current employment, it is important that you notify Social Security that you do not want Part B of Medicare.

Your Medigap open enrollment period starts after you sign up for Part B.

NOTE: Remember, if you took Part B while you had employer coverage, you don't get another open enrollment period when your employer coverage ends. You must have both Medicare Part A and Medicare Part B to purchase a Medigap policy.

Pre-Existing Conditions and Medigap

- Health problem you had before the new insurance policy starts
- Pre-Existing Condition Waiting Period
 - Insurance companies can refuse to cover out-of-pocket costs for 6 months

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A pre-existing condition is a health problem you have before the date a new insurance policy starts. Remember, for Medicare-covered services, Original Medicare will still cover the condition, even if the Medigap policy won't cover your out-of-pocket costs, and you're responsible for the coinsurance or copayment.

If you have a pre-existing condition and you buy a Medigap policy during your Medigap open enrollment period and you're replacing certain kinds of health coverage that count as "creditable coverage," it's possible to avoid or shorten waiting periods for pre-existing conditions. Prior creditable coverage is generally any other health coverage you recently had before applying for a Medigap policy. If you have had at least 6 months of continuous prior creditable coverage, the Medigap insurance company can't make you wait before it covers your pre-existing conditions.

There are many types of health care coverage that may count as creditable coverage for Medigap policies, but they will only count if you didn't have a break in coverage for more than 63 days. Talk to your Medigap insurance company. It will be able to tell you if your previous coverage will count as creditable coverage for this purpose. Your State Health Insurance Assistance Program can also answer creditable coverage questions.

If you buy a Medigap policy when you have a guaranteed issue right (also called "Medigap protection"), the insurance company can't use a pre-existing condition waiting period.

Pre-Existing Conditions and Medigap Continued

- **Waiting periods**
 - Pre-existing condition treated or diagnosed 6 months before coverage start date
 - This is known as the “Look back period”
 - After the 6-month waiting period, Medigap will cover the excluded condition

The Affordable Care Act does not impact the pre-existing condition waiting period for Medigap coverage.

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While the insurance company can't make you wait for your coverage to start, it may be able to make you wait for coverage related to a pre-existing condition. In some cases the Medigap insurance company can refuse to cover your out-of-pocket costs for these pre-existing health problems for up to 6 months.

Coverage for a pre-existing condition can only be excluded in a Medigap policy if the condition was treated or diagnosed within 6 months before the date the coverage starts under the Medigap policy. This is called the “look-back period.” After the 6-month pre-existing waiting period, the Medigap policy will cover the condition that was excluded.

It's important to note that the Affordable Care Act does not impact the pre-existing condition waiting period for Medigap coverage.

Medigap for People with a Disability or ESRD

- People with a disability or ESRD may not be able to buy a policy until they turn 65
- Some states require Medigap insurers to sell policies to people with a disability or ESRD
- Companies may voluntarily sell Medigap policies
 - May cost more than policies sold to people over 65
 - Can use medical underwriting

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People with a disability or ESRD may not be able to buy a policy until they turn 65. Some states require Medigap insurers to sell policies to people with a disability or ESRD

Companies may voluntarily sell Medigap policies that

- May cost more than policies sold to people over 65
- Can use medical underwriting

Check with your state about the rights you might have under state law.

Remember, if you're already enrolled in Medicare Part B, you will get a Medigap open enrollment period when you turn 65. You will probably have a wider choice of Medigap policies and be able to get a lower premium at that time. During your Medigap open enrollment period, insurance companies can't refuse to sell you any Medigap policy due to a disability or other health problem, or charge you a higher premium (based on health status) than they charge other people who are 65.

Because Medicare (Part A and/or Part B) is creditable coverage, if you had Medicare for more than 6 months before you turned 65, you will not have a pre-existing condition waiting period.

Buying a Medigap Policy Under Age 65

- May not be able to buy Medigap
 - People with a disability
 - People with End-Stage Renal Disease
- If available may cost more
- Some states require selling to under age 65
- New Medigap OEP at age 65

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Federal law doesn't require insurance companies to sell Medigap policies to people under age 65.

The following states do require Medigap insurance companies sell to people under 65:

- Colorado, Connecticut, Florida, Georgia, Hawaii, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, and Wisconsin
 - Medigap is not available to people with ESRD under age 65 in California, Massachusetts and Vermont
 - In Delaware, Medigap is only available to people under age 65 with ESRD
- Even if your state isn't on the list above, here are some things you need to know:
 - Some insurance companies may voluntarily sell Medigap policies to some people under age 65.
 - Some states require that people under age 65 who are buying a Medigap policy be given the best price available.
 - Generally, Medigap policies sold to people under age 65 may cost more than policies sold to people over age 65.

If you live in a state that has a Medigap open enrollment period for people under age 65, you will still get another Medigap open enrollment period when you reach age 65, and you will be able to buy **any** Medigap policy sold in your state.

Medigap Pricing Based on Age

Not all states allow all three types of rating

No-age-rated (community-rated)	<ul style="list-style-type: none"> ▪ Everyone pays same regardless of age if 65 or older ▪ Generally least expensive over lifetime
Issue-age-rated	<ul style="list-style-type: none"> ▪ Based on age when purchased ▪ Doesn't go up automatically as you get older
Attained-age-rated	<ul style="list-style-type: none"> ▪ Premium based on current age ▪ Goes up automatically as you get older ▪ Costs less when you are 65 ▪ Cost goes up each year as you get older

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Insurance companies have three ways to price policies based on your age. Not all states allow all three types of rating.

1. **No-age-rated** (also called community-rated) **policies**—These policies charge everyone the same rate no matter how old they are. In general, no-age-rated Medigap policies are the least expensive over your lifetime. If those under 65 have the right to buy a policy, premiums can be rated differently and they may be charged more.
2. **Issue-age-rated policies**—The premium for these policies is based on your age when you first buy the policy. The cost does not go up automatically as you get older, but may go up because of inflation.
3. **Attained-age-rated policies**—The premiums for these policies are based on your age each year. These policies are generally cheaper at age 65, but their premiums go up automatically as you get older. In general, attained-age-rated policies cost less when you are 65 than issue-age-rated or no-age-rated policies. However, when you reach the ages of 70 to 75, attained-age-rated policies usually begin to cost more than other types of policies.

When you compare premiums, be sure you are comparing the same Medigap Plan A-N. Remember, all premiums may change and go up each year because of inflation and rising health care costs.

Buying a Medigap Policy

- An important decision – shop carefully
- Four steps
 1. Decide which Plan A – N meets your needs
 2. Locate companies selling Medigap in your state
 3. Call the companies and compare costs
 4. Buy the Medigap policy

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Medigap (Medicare Supplement Insurance) Policies

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To buy a Medigap policy, follow these four steps.

1. Decide which Medigap Plan A – N has the benefits you need.
2. Find out which insurance companies sell Medigap policies in your state by calling your State Health Insurance Assistance Program, your State Insurance Department, or visit www.medicare.gov and select “Supplements and Other Insurance.”
3. Call the insurance companies and shop around for the best policy at a price you can afford. Page 28 of the *2013 Choosing a Medigap Policy: A Guide to Health Insurance for People With Medicare* provides a checklist to help compare Medigap policies.
4. Buy the Medigap policy. Once you choose the insurance company and the Medigap policy, apply for the policy. The insurance company must give you a clearly worded summary of your Medigap policy when you apply.

These four steps are described in greater detail on pages 25 – 30 of the *2013 Choosing a Medigap Policy: A Guide to Health Insurance for People With Medicare*, CMS Product No. 02110.

Why Switch Medigap Policies?

- You might switch policies if
 - You're paying for benefits you don't need
 - You need more benefits now
 - You want to change your insurance company
 - You find a cheaper policy
- If not in your Medigap open enrollment period
 - You may pay more for the new policy
 - There might be medical underwriting
 - Could have delay in coverage for pre-existing condition

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Why might you switch policies?

- You're paying for benefits you don't need.
- You need more benefits now.
- You want to change your insurance company.
- You find a cheaper policy.
- If you bought your Medigap policy before you were 65 (because you have a disability), you get a Medigap open enrollment period when you turn 65 as long as you are enrolled in Part B.

NOTE: Medigap policies sold before 1992 may not be guaranteed renewable. A guaranteed renewable policy is an insurance policy that can't be terminated by the insurance company unless you make untrue statements to the insurance company, commit fraud, or don't pay your premiums. All Medigap policies issued since 1992 are guaranteed renewable.

Check to see if there would be a delay in coverage for pre-existing conditions, or a waiting period for certain benefits.

You may have to pay more for your new Medigap policy and undergo medical underwriting (see next slide) if you are not in your Medigap open enrollment period.

When Can You Switch Medigap Policies?

- Right under Federal law to switch **only**
 - During your Medigap open enrollment period
 - If you have a guaranteed issue right
 - If your state has more generous requirements
 - If you move out of your Medigap SELECT service area
- 30-day *free look* period – pay both premiums
- Any time insurance company will sell you one

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In most cases you won't have a right under Federal law to switch Medigap policies unless one of the following is true.

- You are within your Medigap open enrollment period.
- You have a guaranteed issue right. This means rights you have in certain situations when insurance companies are required by law to sell or offer you a Medigap policy. In these situations, an insurance company can't deny you a policy, or place conditions on a policy, such as exclusions for pre-existing conditions, and can't charge you more for a policy because of past or present health problems.
- You live in a state that has more generous requirements.
- You had a Medicare SELECT plan and moved out of the service area. If you move out of your Medicare SELECT policy's area, you can buy a standardized policy with the same or fewer benefits than your current plan, or buy Plan A, B, C, F, K, or L sold in most states by any insurance company.
 - If you switch, you don't have to cancel your first Medigap policy until you've decided to keep the second policy. You have a 30-day "free look" period to decide if you want to keep the new policy. It starts when you get your new policy. You have to pay both premiums for one month.
 - You can switch any time an insurance company is willing to sell you a Medigap policy.

Check Your Knowledge – Lesson 4



Of the three ways insurance companies may price policies, which is generally the least expensive over your lifetime?

- a. No-age-rated (or community-rated) policies
- b. Issue-age-rated policies
- c. Attained-age-rated policies



Refer to page 52 to check your answers.



Lesson 5 - Medigap Rights and Protections

- Medigap Guaranteed Rights
- Right to Suspend a Medigap Policy

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Medigap Rights and Protections explains guaranteed rights to buy and to suspend a Medigap policy.

Guaranteed Issue Rights to Buy Medigap

- Federal protections in certain situations
 - You have the right to buy a Medigap policy
 - Companies must sell you a Medigap policy
 - All pre-existing conditions must be covered
 - Can't be charged more
 - Must apply within 63 days of date other coverage ends
- See Appendix C for all situations

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Guaranteed issue rights are rights you have in certain situations when insurance companies are required by law to sell or offer you a Medigap policy even if you have health problems (called "pre-existing conditions").

In these situations, an insurance company:

- Must sell you a Medigap policy.
- Must cover all your pre-existing conditions and can't charge you more for a Medigap policy because of past or present health problems.

These are Federal protections.

In many cases, you have a guaranteed issue right when you have other health coverage that changes in some way, such as when you lose or drop the other health care coverage. In other cases you have a "trial right" to try a Medicare Advantage Plan and still buy a Medigap policy if you change your mind.

Some states have additional protections.

NOTE: See Appendix C for all situations. It is also available at www.medicare.gov/find-a-plan/staticpages/learn/rights-and-protections.aspx.

Examples of Guaranteed Issue Rights

- John is in a **Medicare Advantage** Plan. He will have a Medigap guaranteed issue right if...

He joined when first eligible at 65 and in the first year wants to change to Original Medicare (Trial Right)

or

His plan leaves Medicare

or

His plan stops giving care in his area

or

He moves out of the plan's service area

See Appendix C for all Guaranteed Issue Rights

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Examples of situations where you have a guaranteed issue right include a Trial Right:

- If you joined a Medicare Advantage Plan or Programs of All-inclusive Care for the Elderly (PACE) when you were first eligible for Medicare Part A at 65, and within the first year of joining, you decide you want to switch to Original Medicare. You would have the right to buy any Medigap policy that is sold in your state by any insurance company.

Other guaranteed issue rights include if you are in a Medicare Advantage (MA) Plan, and your plan is leaving Medicare, stops giving care in your area, or if you move out of the plan's service area.

NOTE: A chart of all the situations is provided as a handout in the corresponding workbook. See Appendix C.

Examples of Guaranteed Issue Rights

- Mary is in **Original Medicare**. She will have a Medigap guaranteed issue right if...

Her EGHP or union coverage ends

or

She moves out of her Medicare SELECT policy's service area

See Appendix C for all Guaranteed Issue Rights

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You have the right to buy a Medigap policy if you have Original Medicare and an employer group health plan (including retiree or COBRA coverage) or union coverage that pays after Medicare pays, and that plan coverage ends.

You also have the right to buy a Medigap policy if you have a Medicare SELECT policy and you move out of the policy's service area.

NOTE: A chart of all the situations is provided as a handout in the corresponding workbook. See Appendix C.

Right to Suspend Medigap for People with Medicaid

- If you have both Medicare and Medicaid
 - You generally can't buy a Medigap policy
- You can suspend your Medigap policy
 - Within 90 days of getting Medicaid
 - For up to 2 years
- You can start it up again
 - No new medical underwriting or waiting periods

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If you have both Medicare and Medicaid, most of your health care costs are covered. Medicaid is a joint Federal and state program, and coverage varies from state to state. People with Medicaid may get coverage for things that aren't covered by Medicare, like some nursing home care and home care.

If you already have Medicaid, an insurance company can't legally sell you a Medigap policy unless one of the following is true.

- Medicaid pays your Medigap premium.
- Medicaid only pays all or part of your Medicare Part B premium.

Remember, the insurance company may use medical underwriting, which could affect acceptance, cost, and the date of coverage.

If you have a Medigap policy and then become eligible for Medicaid, there are a few things you should know:

- You can put your Medigap policy on hold ("suspend" it) within 90 days of getting Medicaid.
- You can suspend your Medigap policy for up to 2 years. However, you may choose to keep your Medigap policy active so you can see doctors that don't accept Medicaid or if you no longer meet Medicaid spend-down requirements.
- At the end of the suspension, you can restart the Medigap policy without new medical underwriting or waiting periods for pre-existing conditions.

NOTE: If you suspend a Medigap policy you bought before January 2006, and it included prescription drug coverage, you can get the same Medigap policy back, but without the prescription drug coverage.

Right to Suspend Medigap

- If you suspend your Medigap policy
 - You do not pay Medigap premiums
 - The Medigap policy will not pay benefits
- You may not want to suspend your policy
 - To see doctors who don't accept Medicaid
- Call your state Medicaid office or SHIP for help

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There are advantages to suspending your Medigap policy rather than dropping it. If you put your Medigap policy on hold (suspend it)

- You won't have to pay your Medigap policy premiums while it is suspended.
- Your Medigap policy won't pay benefits while it is suspended.

In some cases, it may **not** be a good idea to suspend your Medigap policy so you may choose to see doctors who don't accept Medicaid.

Call your State Medicaid office or State Health Insurance Assistance Program (SHIP) to help you with this decision. To get their phone number, call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. For questions about suspending a Medigap policy, call your Medigap insurance company.

Right to Suspend Medigap (Group Health Plan)

- Can suspend Medigap policy if under 65
 - While enrolled in your/spouse's employer group health plan
- Get your Medigap policy back at any time
 - Must notify insurer within 90 days of losing employer plan
 - No waiting period

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If you are **under** age 65, have Medicare, and have a Medigap policy, you have a right to suspend your Medigap policy benefits and premiums, without penalty, while you are enrolled in your or your spouse's employer group health plan. You can enjoy the benefits of your employer's insurance without giving up your ability to get your Medigap policy back when you lose your employer coverage. States may choose to offer this right to people over 65 as well. Check with your state.

If, for any reason, you lose your employer group health plan coverage, you can get your Medigap policy back. The following is true if you notify your Medigap insurance company that you want your Medigap policy back within 90 days of losing your employer group health plan coverage.

- Your Medigap benefits and premiums will start again on the day your employer group health plan coverage stops.
- The Medigap policy must have the same benefits and premiums it would have had if you had never suspended your coverage.
- Your Medigap insurance company can't refuse to cover care for any pre-existing conditions you have.

Check Your Knowledge – Lesson 5



If you get your Medigap policy when you have a guaranteed issue right, you are not covered for 6 months for pre-existing conditions.

- a. True
- b. False



Refer to page 52 to check your answers.

Medigap Resource Guide

Information Resources	Medicare Products
<p>Centers for Medicare & Medicaid Services (CMS) 1-800-MEDICARE (1-800-633-4227) (TTY 1-877-486-2048) Beneficiary Information www.Medicare.gov</p> <p>Compare Medigap policies www.Medicare.gov/find-a-plan/questions/medigap-home.aspx</p> <p>Partner Information www.CMS.gov/Medigap/</p>	<p>Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare CMS Product No. 02110 Medicare & You Handbook CMS Product No. 10050</p> <p>Your Medicare Benefits CMS Product No. 10116</p> <p>To access these products: View and order single copies at Medicare.gov</p> <p>Order multiple copies (partners only) at www.productordering.cms.hhs.gov</p> <p>You must register your organization.</p>
<p>State Health Insurance Assistance Programs (SHIPs)* State Insurance Department* *For telephone numbers call CMS 1-800-MEDICARE (1-800-633-4227) 1-877-486-2048 for TTY users View the Affordable Care Act www.healthcare.gov/law/full/index.html</p> <p>National Association of Insurance Commissioners http://www.naic.org/</p>	



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Appendix A

What are my Medicare coverage choices?

There are 2 main choices for how you get your Medicare coverage. Use these steps to help you decide.

Step 1

Decide If you want Original Medicare or a Medicare Advantage Plan

Original Medicare Includes Part A (Hospital Insurance) and/or Part B (Medical Insurance)

- Medicare provides this coverage directly.
 - You have your choice of doctors, hospitals, and other providers that accept Medicare.
 - Generally, you or your supplemental coverage pay deductibles and coinsurance.
 - You usually pay a monthly premium for Part B.
- See pages 57–63.

Step 2

Decide If you want prescription drug coverage (Part D)

- If you want drug coverage, you must join a Medicare Prescription Drug Plan. You usually pay a monthly premium.
 - These plans are run by private companies approved by Medicare.
- See pages 81–94.

Step 3

Decide If you want supplemental coverage

- You may want to get coverage that fills gaps in Original Medicare coverage. You can choose to buy a Medicare Supplement Insurance (Medigap) policy from a private company.
 - Costs vary by policy and company.
 - Employers/unions may offer similar coverage.
- See pages 64–67.

Medicare Advantage Plan (like an HMO or PPO)

Part C Includes BOTH Part A (Hospital Insurance) and Part B (Medical Insurance)

- Private insurance companies approved by Medicare provide this coverage.
 - In most plans, you need to use plan doctors, hospitals, and other providers or you may pay more or all of the costs.
 - You usually pay a monthly premium (in addition to your Part B premium) and a copayment or coinsurance for covered services.
 - Costs, extra coverage, and rules vary by plan.
- See pages 68–78.

Step 2

Decide If you want prescription drug coverage (Part D)

- If you want drug coverage, and it's offered by your plan, in most cases you must get it through your plan.
 - In some types of plans that don't offer drug coverage, you can join a Medicare Prescription Drug Plan.
- See pages 74–75.

Note: If you join a Medicare Advantage Plan, you can't use Medicare Supplement Insurance (Medigap) to pay for out-of-pocket costs you have in the Medicare Advantage Plan. If you already have a Medicare Advantage Plan, you can't be sold a Medigap policy. You can only use a Medigap policy if you disenroll from your Medicare Advantage Plan and return to Original Medicare. See page 67.

In addition to the options listed above, you may be able to join other types of Medicare health plans. See pages 79–80. Some people may have other coverage like employer or union, Medicaid, military, or Veterans' benefits. See pages 100–101 and 93–94.

Source: Page 55 of the 2013 *Medicare & You Handbook*

Appendix B

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%
Medicare Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B deductible			100%		100%					
Medicare Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			100%	100%	100%	100%			100%	100%
							Out-of-pocket limit in 2013			
							\$4,800	\$2,400		

Appendix C

An insurance company can't refuse to sell you a Medigap policy in the following situations:

You have a guaranteed issue right if...	You have the right to buy...	You can/must apply for a Medigap policy...
<p>You're in a Medicare Advantage Plan, and your plan is leaving Medicare or stops giving care in your area, or you move out of the plan's service area.</p>	<p>Medigap Plan A, B, C, F, K, or L that's sold in your state by any insurance company.</p> <p>You only have this right if you switch to <i>Original Medicare</i> rather than join another Medicare Advantage Plan.</p>	<p>As early as 60 calendar days before the date your health care coverage will end, but no later than 63 calendar days after your health care coverage ends. Medigap coverage can't start until your Medicare Advantage Plan coverage ends.</p>
<p>You have Original Medicare and an employer group health plan (including retiree or COBRA coverage) or union coverage that pays after Medicare pays and that plan is ending.</p> <p>Note: In this situation, you may have additional rights under state law.</p>	<p>Medigap Plan A, B, C, F, K, or L that's sold in your state by any insurance company.</p> <p>If you have COBRA coverage, you can either buy a Medigap policy right away or wait until the COBRA coverage ends.</p>	<p>No later than 63 calendar days after the latest of these 3 dates:</p> <ol style="list-style-type: none"> 1. Date the coverage ends 2. Date on the notice you get telling you that coverage is ending (if you get one) 3. Date on a claim denial, if this is the only way you know that your coverage ended
<p>You have Original Medicare and a Medicare SELECT policy. You move out of the Medicare SELECT policy's service area.</p> <p>Call the Medicare SELECT insurer for more information about your options.</p>	<p>Medigap Plan A, B, C, F, K, or L that's sold by any insurance company in your state or the state you're moving to.</p>	<p>As early as 60 calendar days before the date your Medicare SELECT coverage will end, but no later than 63 calendar days after your Medicare SELECT coverage ends.</p>

Source: 2013 *Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare*

Appendix C - Continued

An insurance company can't refuse to sell you a Medigap policy in the following situations: (continued)

You have a guaranteed issue right if...	You have the right to buy...	You can/must apply for a Medigap policy...
<p>You're in a Medicare Advantage Plan, and your plan is leaving Medicare or stops giving care in your area, or you move out of the plan's service area.</p>	<p>Medigap Plan A, B, C, F, K, or L that's sold in your state by any insurance company.</p> <p>You only have this right if you switch to Original Medicare rather than join another Medicare Advantage Plan.</p>	<p>As early as 60 calendar days before the date your health care coverage will end, but no later than 63 calendar days after your health care coverage ends. Medigap coverage can't start until your Medicare Advantage Plan coverage ends.</p>
<p>You have Original Medicare and an employer group health plan (including retiree or COBRA coverage) or union coverage that pays after Medicare pays and that plan is ending.</p> <p>Note: In this situation, you may have additional rights under state law.</p>	<p>Medigap Plan A, B, C, F, K, or L that's sold in your state by any insurance company.</p> <p>If you have COBRA coverage, you can either buy a Medigap policy right away or wait until the COBRA coverage ends.</p>	<p>No later than 63 calendar days after the latest of these 3 dates:</p> <ol style="list-style-type: none"> 1. Date the coverage ends 2. Date on the notice you get telling you that coverage is ending (if you get one) 3. Date on a claim denial, if this is the only way you know that your coverage ended
<p>You have Original Medicare and a Medicare SELECT policy. You move out of the Medicare SELECT policy's service area.</p> <p>Call the Medicare SELECT insurer for more information about your options.</p>	<p>Medigap Plan A, B, C, F, K, or L that's sold by any insurance company in your state or the state you're moving to.</p>	<p>As early as 60 calendar days before the date your Medicare SELECT coverage will end, but no later than 63 calendar days after your Medicare SELECT coverage ends.</p>

Answer Key

Check Your Knowledge



Lesson 2 – From p. 11

Original Medicare covers all of your health care expenses.

- a. True
- b. False

ANSWER: b. False

People with Original Medicare are responsible for a share of their Medicare-covered services and supplies. They generally pay a set amount for their health care (deductible) before Medicare pays its share.

Then, Medicare pays its share, and they pay a share (coinsurance/copayment) for covered services and supplies. People usually pay a monthly premium for Part B.

Lesson 3 – From p. 25

Which statement is true about buying a Medigap plan?

- a. You can buy a Medigap plan if you have both Medicare Parts A and B
- b. You can buy more than one Medigap plan
- c. You can buy a Medigap plan to supplement your Medicare Advantage Plan

ANSWER: a. You can buy a Medigap policy if you have both Medicare Parts A and B

Lesson 4 – from p. 37

Of the three ways insurance companies may price policies, which is generally the least expensive over your lifetime?

- a. No-age-rated (or community-rated) policies
- b. Issue-age-rated policies
- c. Attained-age-rated policies

ANSWER: a.

No-age-rated (also called community-rated) policies—These policies charge everyone the same rate no matter how old they are. In general, no-age-rated Medigap policies are the least expensive over your lifetime. If those under 65 have the right to buy a policy, premiums can be rated differently and they may be charged more.

Lesson 5 – from p. 45

If you get your Medigap policy when you have a guaranteed issue right, you are not covered for 6 months for pre-existing conditions.

- a. True
- b. False

ANSWER: b. False. Guaranteed issue rights are rights you have in certain situations when insurance companies are required by law to sell or offer you a Medigap policy even if you have health problems (called "pre-existing conditions").

In these situations, an insurance company must sell you a Medigap policy, and must cover all your pre-existing conditions and can't charge you more for a Medigap policy because of past or present health problems.

Acronyms

ACA	Affordable Care Act
CMS	Centers for Medicare & Medicaid Services
DME	Durable Medical Equipment
ESRD	End-stage Renal Disease
HHS	(Department Of) Health and Human Services
HMO	Health Maintenance Organization
MA	Medicare Advantage
MSN	Medicare Summary Notice
NTP	National Training Program
PPO	Preferred Provider Organization
SHIP	State Health Insurance Assistance Program
SSA	Social Security Administration
TTY	Teletypewriter/Text Telephone
VA	Veteran's Affairs

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