

SCS PA MEDI is funded in part through the Administration for Community Living under contract with Delaware County Office of Services for the Aging



WHAT DO MEDICARE
SUPPLEMENT PLANS
COVER?

MEDIGAP Basics

Understanding Medicare Supplemental Insurance

Agenda/Objectives

- ❖ Understand the definition of Medicare Supplemental Insurance and how it works with Medicare
- ❖ Recognize the different types of MEDIGAP Insurance
- ❖ MEDIGAP vs. Medicare Advantage Plans – know the difference
- ❖ Understand what Underwriting and Pre-Existing Conditions mean and the impact on you the consumer
- ❖ Learn how the **PA MEDI MEDICARE PROGRAM** can help.



Terminology

❖ Co Pay

- A fixed amount (for example, **\$15**) you pay for a covered health care service, usually when you get the service.
- The amount can vary by the type of covered health care service.

❖ Coinsurance

- Your share of the costs of a covered health care service, calculated as a percent (for example, **20%**) of the allowed amount for the service.
- You pay coinsurance plus any deductibles you owe.
- **For Example**: If the health insurance or plan's allowed amount for an office visit is **\$100** and you've **met your deductible**, your coinsurance payment of **20%** would be **\$20**. The health insurance or plan pays the rest of the allowed amount.



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Terminology Cont'd

❖ Deductible

- The amount you owe for health care services covered by your health plan before your health plan begins to pay.
- **For Example:** if your deductible is **\$1,000**, your plan **won't pay** anything until you've met your **\$1,000** deductible for covered health care services subject to the deductible.
The deductible may not apply to all services.

❖ Excess Charge

- An amount above and beyond what Medicare approves for a specific procedure/doctor office visit.

❖ Medical Underwriting

- A process used by insurance companies to try to determine your health status when you're applying for health insurance coverage to determine whether to offer you coverage at what price, and with what exclusions or limits.



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Medicare Supplemental Insurance

- ❖ Also known as MEDIGAP
- ❖ Private Health Insurance
 - Only works with Medicare
 - Up to **10** standardized plans (**A,B,C,D, G, **G High Deductible**, **K,L,M & N**)**
- ❖ Designed to supplement Original Medicare
 - Covers Medicare Deductibles and Part B 20% Co-Pays
- ❖ **Must** have Medicare **Part A and Part B**
- ❖ Cannot **purchase** if you have a Medicare Advantage Plan



Medicare Advantage Plans

❖ Medicare Advantage Plan Insurance

- Another way to receive Medicare Benefits
- Private Health Insurance
 - Medicare subsidizes plan
- Managed Care Structure (e.g., HMO, PPO)
 - HMO - Must stay within network
 - PPO - May go out of network with additional cost
- Monthly premiums, deductibles, and co-pays
- Most include Prescription Drug Plans (be sure to ask)



Medicare Advantage Card

What Card Do I Show?



Medicare Supplemental Insurance Cont'd

- ❖ Do not have Networks of Doctors or Hospitals – good for ‘Snowbirds’
- ❖ Has Monthly Premium
- ❖ **Does not include Prescription Drug Plans**
- ❖ Plans can change anytime
- ❖ Not subject to an Annual Enrollment Season or Periods



How Do I Enroll?

- ❖ You must call the Supplemental Company directly to enroll in a Medicare Supplemental Plan.
- ❖ Upon Enrollment you may be allowed a Guaranteed Issue Period by the Supplemental Plan Company.



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Guaranteed Issue Period and Supplemental Plan Underwriting

☐ **Guaranteed Issue Period**

- Is a **6-month Period** following enrollment in **Part B** when Insurance Companies **cannot deny coverage** due to **Pre-Existing Conditions**.



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Guaranteed Issue Period

- ❖ If you purchased a Medigap Plan within 6 months of the Start Date of your Medicare Part B

- **Insurance Companies Must:**

- Sell you a MEDIGAP policy
- Cover all your Pre-Existing Conditions
- Can not charge you more for a policy regardless of past or present health problems
- **This is called your Guaranteed Issue Right/Period**



Supplemental Plan Underwriting

- If you **purchased** Medigap Insurance **after** your Initial Enrollment Period.
- You can be asked to complete **Health Questionnaire or Evaluation**.
- Your Monthly Premium could **increase**.
- Bill Payments could be **delayed 6 months**.
- Your Application could be **denied** because of health condition or health risk to company.



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Employer Insurance and Guaranteed Issue Period

Late Retirement and Guaranteed Issue Period

- If you have been employed and had creditable Insurance coverage for at least 6 months a MEDIGAP insurer cannot make you wait before it covers your pre-existing condition
- Once your employment ends you must select your Medigap Plan within **63** days after your Health Plan Coverage has ended.



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Plans C and F can not be sold to New Medicare Beneficiaries

- ❖ Supplemental Companies are prohibited from selling standardized Medigap Plan **C** or **F** (including the **F High Deductible**) to “Newly Eligible” Medicare Beneficiaries.

Who is considered Newly Eligible

- ❖ Anyone who attained age 65 on or after January 1, 2020.
- ❖ First becomes eligible for Medicare due to age, disability or end-stage Renal Disease on or after January 1, 2020.
- ❖ Companies **can still sell Plan C and F to Current Beneficiaries and other limited situations.**



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Newly Added Plan G and G High Deductible

- ❖ Plans **D, G, and N** will be replacement equivalents to plan **C and F**.
- ❖ There will be a new “High Deductible Plan **G**” added that will **replace** Supplemental Plan High Deductible Plan **F** for Newly Eligible Medicare Beneficiaries.



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If You choose to switch from Supplemental Plans C and F

- ❖ **No Federal Guaranteed Issue Rights/Period to transfer to another Medigap Plan. (Individuals will be subjected to Underwriting)**



REVISED Medigap Policy Chart After January 2021

For Plans Sold since June 1, 2010

Plans Available to All Applicants

First eligible for Medicare before 2020 only

Standard Benefits	A	B	D	G*	K	L	M	N	C	F*
Part A co-insurance and hospital costs up to an additional 365 days after Medicare benefits end	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part A hospice coinsurance or copayment	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Part B co-insurance or copayment	✓	✓	✓	✓	50%	75%	✓	✓**	✓	✓
Blood (first three pints)	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Additional Benefits	A	B	D	G	K	L	M	N	C	F*
Part A hospital deductible		✓	✓	✓	50%	75%	50%	✓	✓	✓
Part B medical deductible									✓	✓
Part B medical excess charges (15% of allowed amount)				✓						✓
Skilled nursing coinsurance			✓	✓	50%	75%	✓	✓	✓	✓
Foreign travel emergency (up to plan limits)***			80%	80%			80%	80%	80%	80%
Yearly out-of-pocket limit (after Part B deductible)					\$6,220	\$3,110				

* Plan G and Plan F also offer a high deductible option, which pays benefits after beneficiary has met a deductible of \$2,370 in 2021.

** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to \$50 copayment for emergency room visits that don't result in an inpatient admission.

*** Plans with Foreign travel will pay 80% after an annual \$250 deductible within the first 60 days of trip. This benefit has a lifetime limit of \$50,000.

MEDIGAP Plan Types

Benefits	Medicare Supplement Insurance (Medigap) plans									
	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%
							Out-of-pocket limit in 2020**			
							\$5,880	\$2,940		

MEDIGAP Card



Note: Your Supplemental Plan Policy Letter Typed on Your ID Card Ex: Plan G

MEDIGAP

Which Cards Do I Show?



What Do MEDIGAP Plans Cover?

- ❖ Medicare Part A Hospital Deductible
 - And hospital costs up to an additional 365 days **after** Medicare benefits are used
- ❖ Medicare Part B – Deductible
- ❖ Medicare Part B – Coinsurance (20% Copay)
- ❖ Blood (First 3 Pints)
- ❖ Part A Hospice Care Coinsurance or Copayment
- ❖ Skilled Nursing Facility Care Coinsurance
- ❖ Medicare Part B Excess Charges
- ❖ Foreign Travel Emergency Care (up to plan limits)



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What Are MEDIGAP Premiums?

- ❖ Policy costs determined by each private insurance company
- ❖ Three Standard Types of Pricing
 - **Issue Age** - Premiums are lower for people who buy at a younger age and won't change as you get older. Premiums may increase because of inflation or other factors, but not because of age.
 - **Attained Age** – Premiums are low for younger buyers but go up as you get older. They may be the least expensive at first but can eventually become the most expensive. Premiums may go up because of inflation or other factors.
 - **Community Rated** - Premium is not based on age. Premiums may increase because of inflation and other factors but not because of age.
- ❖ Companies will have varied pricing, but policy benefits are standard



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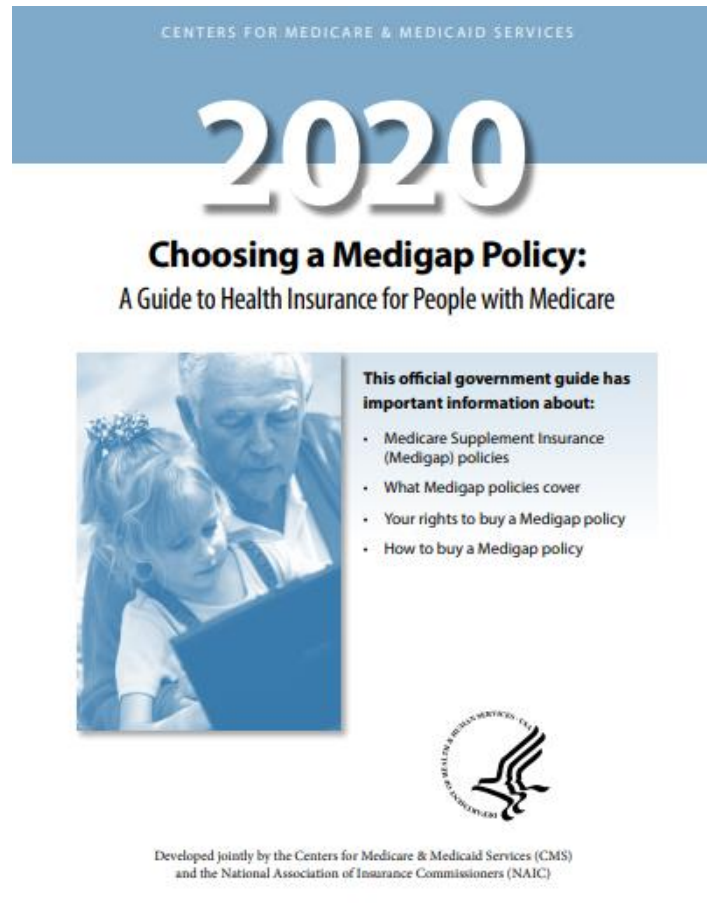
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How MEDIGAP Is Priced

Type of pricing	How it's priced	What this pricing may mean for you	Examples
Community-rated (also called "no-age-rated")	Generally the same monthly premium is charged to everyone who has the Medigap policy, regardless of age.	Your premium isn't based on your age. Premiums may go up because of inflation and other factors but not because of your age.	Mr. Smith is 65. He buys a Medigap policy and pays a \$165 monthly premium.
			Mrs. Perez is 72. She buys the same Medigap policy as Mr. Smith. She also pays a \$165 monthly premium because, with this type of Medigap policy, everyone pays the same price regardless of age.
Issue-age-rated (also called "entry age-rated")	The premium is based on the age you are when you buy (are "issued") the Medigap policy.	Premiums are lower for people who buy at a younger age and won't change as you get older. Premiums may go up because of inflation and other factors but not because of your age.	Mr. Han is 65. He buys a Medigap policy and pays a \$145 monthly premium.
			Mrs. Wright is 72. She buys the same Medigap policy as Mr. Han. Since she is older when she buys it, her monthly premium is \$175.
Attained-age-rated	The premium is based on your current age (the age you have "attained"), so your premium goes up as you get older.	Premiums are low for younger buyers but go up as you get older. They may be the least expensive at first, but they can eventually become the most expensive. Premiums may also go up because of inflation and other factors.	<p>Mrs. Anderson is 65. She buys a Medigap policy and pays a \$120 monthly premium.</p> <ul style="list-style-type: none"> At 66, her premium goes up to \$126. At 67, her premium goes up to \$132. At 72, her premium goes up to \$165.
			<p>Mr. Dodd is 72. He buys the same Medigap policy as Mrs. Anderson. He pays a \$165 monthly premium. His premium is higher than Mrs. Anderson's because it's based on his current age. Mr. Dodd's premium will go up each year.</p> <ul style="list-style-type: none"> At 73, his premium goes up to \$171. At 74, his premium goes up to \$177.



Choosing A Medigap Booklet- A very good **reference guide** to learning more concerning Medigap/Supplemental Plans



Choosing a
Medicap Policy
can be found on
Medicare.gov
Website under
the **Publications**
Blue Bar Tab

MEDIGAP Does NOT Cover

- ❖ Long Term Care
- ❖ Dental or Vision Care
- ❖ Eyeglasses
- ❖ Hearing Aids
- ❖ Private Duty Nursing
- ❖ Private Duty Home Health Aide
- ❖ Prescription Plans



PA MEDI MEDICARE PROGRAM **Can** Help!

- ❖ PA MEDI can help you find MEDIGAP Policies
- ❖ PA MEDI now has access to **CSG Actuarial Website** to provide you with a Supplemental Plan Comparison.
 - This website is **Not** available to public, access only through APPRISE
- ❖ CSG Actuarial Website
 - Specializes in individual life and health insurance markets
 - CSG's actuaries have more **than 60 years** of combined actuarial experience.*

* Source: www.csgactuarial.com*



What Information Will CSG Actuarial (**Medigap Website**) Provide Me?

❖ General

- Plan
- Rating
- Policy Type
- Information Specific to County

❖ Premiums

- Monthly Premium
- Annual Premium
- Policy Fee
- Age Rating

❖ Company Details

❖ National Experience

❖ Statewide Experience

❖ Annual Increase Averages



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What Will The PA MEDI Program **Supplemental Comparison** Provide For Me?


- ❖ PA MEDI Counselors can compare more than one of the 10 Pennsylvania Supplemental Plans at one time.
(Example: **Compare Plans G, and N**)
- ❖ The Supplemental Plan Comparison will provide up to Five (5) Supplemental Plans for the purpose of comparing price information.



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CSG/Medigap Consent Form


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Consent Form to Complete a Plan Comparison

I understand the following:

1. The APPRISE counselor is not endorsing any insurance company or recommending any specific Medicare Advantage Plan or prescription drug plan.
2. The information indicated on the Medicare Plan Finder is current to the best of the APPRISE counselor's knowledge.
3. In order to provide the most complete and accurate Medicare Advantage or prescription drug plan comparison I will be required to create a "MyMedicare" account.
4. If I request a Medigap plan comparison, the APPRISE counselor is obtaining the information from a secure third-party website provided by the PA Department of Aging. The counselor is not endorsing any insurance company or recommending any specific Medigap plan and the information on the website is current to the best of the APPRISE counselor's knowledge.

I, _____ (Medicare Beneficiary) give consent to the APPRISE counselor to create a MyMedicare account on my behalf on the Medicare.gov website.
☐ I decline consent to create a MyMedicare.gov account.

I, _____ (Medicare Beneficiary) give consent to the APPRISE counselor to obtain information, including premiums, for Medicare Advantage Plans from the Medicare.gov Plan Finder and/or Medigap comparison from a secure third party actuarial website provided by the PA Department of Aging.
☐ I decline consent to a Plan Finder or Medigap comparison.

I, _____ (Medicare Beneficiary) authorize the APPRISE counselor to record the Username and Password of my choice created on the **New Information for a Medicare Comparison** form for the purpose of future comparisons.
☐ I decline authorization to record my MyMedicare.gov account username and password.

I, _____ (Medicare Beneficiary) authorize the APPRISE counselor to enroll me in the Medicare Advantage Plan or a Medicare Part D plan that I have chosen through the Medicare.gov website.
☐ I decline authorization to enroll me in a Medicare Advantage Plan or a Medicare Part D Plan.

Printed Name of Medicare Beneficiary

Date

Signature of Beneficiary or Authorized Representative

APPRISE Counselor

If you are signing this electronically:
By typing your name in the signature box, you agree that
it is the equivalent of your manual signature.

If your consultation is conducted during an **Individual counseling session** - You will be asked to give your **written consent** for PA MEDI to obtain information and confirm your understanding of the process.

If your consultation is by **phone**, you will be asked for **verbal consent**.



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NEED HELP????

If you need additional information a
PA MEDI Counselor is available to help you.

Senior Community Services PA MEDI Program of Delaware County

PA MEDI Medicare Program Director

Glenda A. Radical

484-494-3769

Email: DELCOPAMEDI@scs-delco.org



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Questions?

