Webinar Logistics:

- Audio: Listen through your computer speakers or call in using a telephone. To get call-in information, click “telephone” under “audio”.

- Because there will be a large number of people on the call, all lines will be muted to ensure good audio quality.

- If you have a question during the webinar, please type your question into the question box. Questions will be answered at the end of the webinar.

- The webinar slides and recording will be sent to all registrants within approximately one week of the webinar.
Medicare Supplement Insurance

Make Medicare Work Coalition Webinar – September 7, 2016
Alicia Donegan, Healthcare Choices Specialist

PRESENTED BY: © AgeOptions 2016. All rights reserved.

AGEOPTIONS

Connecting Older Adults with Community-based Resources and Options

The Area Agency on Aging of Suburban Cook County, since 1974
MMW work is supported by grants from local and regional foundations:

- Retirement Research Foundation
- Michael Reese Health Trust
- Chicago Community Trust
Who We Are: MMW Leadership

• AgeOptions
  – Area Agency on Aging (AAA) for suburban Cook County

• Health & Disability Advocates
  – Policy and advocacy organization

• Progress Center for Independent Living
  – Cross-disability, non-residential – suburban Cook County
What We Do

• Gather and create practical, accessible information and materials
• Educate Medicare consumers, service providers and policymakers
• Problem solving – individual and systemic
• Provide training and technical support for professionals and volunteers
• Advocate for consumer focused laws and policies
• Target underserved groups
You can get Medicare Benefits in 2 different ways:

Original Medicare

Part – A

MedSup or Secondary

Part – B

Part – D or Secondary

Medicare Advantage

Part A & B

Some will include Part D
Medicare Supplement Insurance

(also referred to as MediGap Insurance)
Comparing MediGap Policies

1. Understand How Medicare Supplement Policies Work
2. Medicare Supplement Enrollment Rights
   1. Initial Enrollment Period?
   2. Enrolling Outside of Open Enrollment Period?
   3. Guaranteed Issue Rights or Trial Rights?
   4. Switching Companies?
3. Choose Between Benefit A-N & Plan Variations
4. Compare prices with plans that offer that benefit & call company to request personalized premium quote
How do Medicare Supplement Policies Work?
Medicare Supplement Insurance

• Health insurance sold by private companies to supplement Medicare

• Use with Original Medicare only (Does not work with Medicare Advantage Plans)
  o Only pays if Medicare does
  o Must have Parts A & B

• Fills in the gaps not covered by Original Medicare
  o Helps pay some of the costs not covered by Medicare like deductibles, copayments and coinsurance
Medicare Supplement Insurance

• Pay a premium for a Medigap policy in addition to the Part B premium

• Polices sold after January 1, 2006 DO NOT include prescription drug coverage
  o Can buy and enroll in a separate Medicare Part D plan

• As of June 1, 2010, 10 standardized “Medigap” Plans are available (A, B, C, D, F, G, K, L, M and N)
  o Plans with same letter have identical benefits

• Some individuals may have Medigap plans they bought before June 1, 2010
  o Allowed to keep these plans
Medicare Supplement Enrollment Rights
Medicare Supplement Open Enrollment Period

- All individuals, **regardless of age**, can enroll in a Medicare Supplement Plan **within 6 months of enrolling into Medicare Part B**
  - A Medicare beneficiary under the age of 65 will receive another 6 month Open Enrollment Period once they turn 65
- Companies cannot use medical underwriting during the Open Enrollment Period. This means they cannot:
  - Refuse to sell you a policy
  - Charge you more for a policy because of health issues
  - Make you wait for coverage to start for a pre-existing condition if you had at least 6 months of prior “continuous creditable coverage” before you buy a Medigap policy
    - Continuous Creditable Coverage-No more than a 63 day gap in prior creditable coverage
Purchasing Medigap plan outside OEP or without a Guaranteed Issue Right

• 65 & Older
  
  o May enroll in a Medigap plan at any time of the year, but company is allowed to deny coverage or charge higher premiums due to medical underwriting

  o In Illinois, Blue Cross Blue Shield and Health Alliance are currently “Guaranteed Issue” policies and will issue a policy regardless of their health history
    
    o Both companies use attained age for their premium calculations

(Source: Illinois Department of Aging Medicare Supplement Premium Comparison Guide)
Purchasing Medigap plan outside OEP or without a Guaranteed Issue Right

• **Under 65**
  - Blue Cross Blue Shield and Health Alliance offer “Guaranteed Issue” policies during the following timeframes only:
    - BlueCross BlueShield of Illinois from October 15 to December 7
    - Health Alliance from November 15 to December 31
  - May be charged the highest premium rate on file with the Illinois Department of Insurance, but will **not** be denied coverage

(Source: Illinois Department of Aging Medicare Supplement Premium Comparison Guide)
Guaranteed Issue Rights

- There are certain situations where a beneficiary may qualify for a “Guaranteed Issue” right. In these situations, a company cannot deny coverage, must cover all pre-existing health conditions, and may not charge more for present or past health conditions.

- If a beneficiary qualifies for Guaranteed Issue rights, their Medigap policy choices are still limited. A beneficiary using Guaranteed Issue rights will only be able to enroll in plans A, B, C, F, K, or L.

(Source: Illinois Department of Aging Medicare Supplement Premium Comparison Guide)
Guaranteed Issue Rights

Your choices are limited to Medicare Supplement or Medicare Select plans A, B, C, F, K, or L in the following Guaranteed Issue Right situations:

• In a Medicare Advantage plan or Medicare Select plan and your plan leaves Medicare, your service area or you move out of the plan’s service area
  o You must purchase a plan within 63 days after your health coverage ended

• Your Medicare Supplement plan goes out of business, withdraws from the market or the company or agents misrepresent the plan
  o You must purchase a plan within 63 days after your health coverage ended

Loss of Employer Coverage - Guaranteed Issue Right

Your choices are limited to Medicare Supplement or Medicare Select plans A, B, C, F, K, or L in the following Guaranteed Issue Right situation:

- Your employer, union, retiree or COBRA plan (either primary or secondary to Medicare) terminates or ceases to provide all such supplemental benefits.

- If your employer sponsored plan is primary to Medicare and you choose to leave the plan.
  
  • If your employer sponsored plan is secondary to Medicare and you choose to leave the plan, you will NOT have a guaranteed issue right.

Loss of Employer Coverage- Guaranteed Issue Right

You must purchase a MediGap policy no later than 63 days after the latest of the following 3 dates:

- Date the coverage ends
- Date on the notice you receive telling you that your coverage is ending
- Date on a claim denial if this is the only way you know that your coverage ended

(Source: Illinois Department of Aging Premium Comparison Guide & CMS Memo-
https://www.cms.gov/Medicare/Health-Plans/Medigap/downloads/mdgp0401.pdf)
Other Special Circumstance Guarantees

• Federal list of Medicare Supplement Rights & Guarantees, please visit:
  http://www.medicare.gov/Publications/Pubs/pdf/02110.pdf

• Illinois Specific Medicare Supplement Rights & Guarantees, please visit:
Changing Insurance Coverage - Switching MediGap Policies

MediGap companies can make a beneficiary wait for up to 6 months for coverage of pre-existing conditions if the beneficiary did not have previous creditable coverage

- Cannot have more than a 63 day gap in coverage between their previous health insurance coverage and their new Medicare coverage.

**Has had current MediGap policy for less than 6 months:**

- If the beneficiary does have a pre-existing condition waiting period and switches policies during this waiting period, the new MediGap plan must subtract the time period that the beneficiary already waited from the total time they must wait for the new company to cover their pre-existing condition.

(Source: CMS- [https://www.medicare.gov/supplement-other-insurance/when-can-i-buy-medigap/switching-plans/switch-medigap-.html](https://www.medicare.gov/supplement-other-insurance/when-can-i-buy-medigap/switching-plans/switch-medigap-.html))
Changing Insurance Coverage - Switching MediGap Policies

Has had current MediGap policy for more than 6 months and the new MediGap policy has the exact same benefits as their current policy:

• New MediGap company cannot make the beneficiary wait for coverage for any pre-existing conditions.

Has had current MediGap policy for more than 6 months and their new Medigap Policy has a benefit that their current MediGap policy does not offer:

• New MediGap company may impose a waiting period of up to 6 months before covering services for a pre-existing condition.

(Source: CMS- https://www.medicare.gov/supplement-other-insurance/when-can-i-buy-medigap/switching-plans/switch-medigap-.html)
Changing Insurance Coverage - Medicare Advantage & MediGap

**Trial Right**
If a beneficiary disenrolls (voluntarily or involuntarily) from their Medicare Supplement policy to enroll in a Medicare Advantage or a Medicare Select plan…

- They can return to their original Medicare Supplement policy within the first 12 months of their first enrollment into a Medicare Advantage plan or Medicare Select plan, if it is still available.

- If the plan is not still available, they may select a Medicare supplement plan A, B, C, F, K or L from any company and will have not have a pre-existing condition waiting period.

Changing Insurance Coverage - Medicare Advantage & MediGap

Trial Right
If a beneficiary enrolls in a Medicare Advantage plan when they first become eligible for Medicare Part A and enroll in Part B at or after age 65...

- They have guaranteed issue with any Medicare supplement policy from any company if they disenroll (voluntarily or involuntarily) from the Medicare Advantage plan within the first 12 months of their enrollment effective date.

Suspending a MediGap Policy

Becoming Eligible for Medicaid

• Can suspend MediGap Policy for up to 24 months
• Will not be charged a premium and policy will not be canceled
• If beneficiary becomes ineligible for Medicaid within 24 months, can reinstate previous policy if beneficiary notifies insurer within 90 days of being ineligible for Medicaid
• Company must reinstate policy without penalty or pre existing condition waiting period

Suspending a MediGap Policy

Becoming Eligible for Employer Coverage

- If under 65, a beneficiary can suspend their MediGap policy if they become eligible for employer coverage due to employment or a spouse’s employment
  - Or a parent’s employment in the case of a beneficiary with a disability
- There is no limit to the amount of time you can suspend your MediGap policy for
- Company must reinstate policy without penalty or pre-existing condition waiting period

Choose Between Benefit A – N & Plan Variations
Medicare Supplement Benefits

• All plans cover:
  – Daily hospital coinsurance (for long stays)
  – An additional 365 days in the hospital
  – 20% coinsurance for Part B services
  – 1st three pints of blood
  – Part A Hospice coinsurance (included as a core benefit for policies sold after 6/1/2010)
Medicare Supplement Benefit Options

• Additional coverage that you can buy – included in certain plans:
  o Medicare Part A deductible
  o Medicare Part B deductible
  o Skilled nursing facility (SNF) coinsurance
  o Part B excess charges
  o Emergency care while traveling outside of the USA
<table>
<thead>
<tr>
<th>Benefits</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>F*</th>
<th>G</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Medicare Part B coinsurance or copayment</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>50%</td>
<td>75%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Blood (first 3 pints)</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>50%</td>
<td>75%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Part A hospice care coinsurance or copayment</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>50%</td>
<td>75%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Skilled nursing facility care coinsurance</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>50%</td>
<td>75%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Part A deductible</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>50%</td>
<td>75%</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Part B deductible</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part B excess charges</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign travel emergency (up to plan limits)</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Chart developed by the Centers for Medicare & Medicaid Services

| Out-of-pocket limit in 2015** | $4,940 | $2,470 |
Plan Variations

- **Medicare Select plans** - Restricts you to a network in order to receive full Medicare Supplement Benefits (*Usually* only a hospital network)

- **High deductible plans (F)** - Plan F offers a high-deductible plan. You must pay Medicare covered costs up to the deductible amount ($2,180 in 2016) before your plan pays.
Compare Prices & Call Plan to Request Quote
Medicare Supplement Pricing

3 MediGap Pricing Methods

– **Issue Age**- Premium will be based on your age at the time you purchased policy. Premium increases will only be the result of higher medical costs or higher than expected claim costs for the entire category of policyholders you are in.

– **Attained Age**- Premium will increase as you grow older. Additional increases possible due to higher medical costs or higher than expected claim costs. If rate increases occur, the increase must apply to entire class of policyholders in which you are categorized.

– **No Age Rated**- Premium for a policy is the same for everyone over 65, regardless of age.
Medicare Supplement Premium Comparison Guide

• Can view estimated premium costs on Medicare Supplement Premium Comparison Guide-developed by the Illinois Department on Aging


  o Prices may change during the year after guide was printed

  o Contact company for personalized premium information
Medicare Supplement Terms

- 30 Day “Free Look” Policy
- Guaranteed Renewable
- Crossover
- Application Fee
### Medicare Supplement Premium Comparison Guide - Illinois Department on Aging

<table>
<thead>
<tr>
<th>Age</th>
<th>AARP/UNITED HEALTHCARE INSURANCE COMPANY</th>
<th>EATNA LIFE INSURANCE COMPANY</th>
<th>AMERICAN CONTINENTAL INSURANCE COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-ex: 3</td>
<td>Pre-ex: 6</td>
<td>Pre-ex: 0</td>
</tr>
<tr>
<td></td>
<td>App Fee: $0</td>
<td>App Fee: $0</td>
<td>App Fee: $20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>AARP/UNITED HEALTHCARE INSURANCE COMPANY</th>
<th>EATNA LIFE INSURANCE COMPANY</th>
<th>AMERICAN CONTINENTAL INSURANCE COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-ex: 3</td>
<td>Pre-ex: 6</td>
<td>Pre-ex: 0</td>
</tr>
<tr>
<td></td>
<td>App Fee: $0</td>
<td>App Fee: $0</td>
<td>App Fee: $20</td>
</tr>
</tbody>
</table>

#### AARP/UNITED HEALTHCARE INSURANCE COMPANY
- Pre-ex: 3
- App Fee: $0
- Website: [www.aarphealthcare.com](http://www.aarphealthcare.com)
- Phone: (800) 525-5000

#### EATNA LIFE INSURANCE COMPANY
- Pre-ex: 6
- App Fee: $0
- Website: [www.aetnamedicare.com/plan_choices/aetna_medicare_supplement.iso](http://www.aetnamedicare.com/plan_choices/aetna_medicare_supplement.iso)
- Phone: (888) 624-6290

#### AMERICAN CONTINENTAL INSURANCE COMPANY
- Pre-ex: 0
- App Fee: $20
- Website: [www.aetnaseniorproducts.com](http://www.aetnaseniorproducts.com)
- Phone: (800) 264-4000

<table>
<thead>
<tr>
<th>Age</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>F</th>
<th>FHD</th>
<th>G</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>64 &amp; Under</td>
<td>$2,010</td>
<td>$3,040</td>
<td>$3,850</td>
<td>$3,868</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>$925</td>
<td>$1,406</td>
<td>$1,784</td>
<td>$1,792</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70</td>
<td>$1,129</td>
<td>$1,713</td>
<td>$2,172</td>
<td>$2,182</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>$1,332</td>
<td>$2,019</td>
<td>$2,559</td>
<td>$2,571</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td>$1,332</td>
<td>$2,019</td>
<td>$2,559</td>
<td>$2,571</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>85</td>
<td>$1,332</td>
<td>$2,019</td>
<td>$2,559</td>
<td>$2,571</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>F</th>
<th>FHD</th>
<th>G</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>64 &amp; Under</td>
<td>$2,460</td>
<td>$3,206</td>
<td>$3,754</td>
<td>$4,305</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>$1,519</td>
<td>$1,691</td>
<td>$1,909</td>
<td>$1,738</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70</td>
<td>$1,830</td>
<td>$2,069</td>
<td>$2,342</td>
<td>$2,153</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>$2,093</td>
<td>$2,443</td>
<td>$2,780</td>
<td>$2,591</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td>$2,274</td>
<td>$2,720</td>
<td>$3,119</td>
<td>$2,999</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>85</td>
<td>$2,384</td>
<td>$2,976</td>
<td>$3,468</td>
<td>$3,578</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>F</th>
<th>FHD</th>
<th>G</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>64 &amp; Under</td>
<td>$2,140</td>
<td>$2,697</td>
<td>$3,175</td>
<td>$1,161</td>
<td>$2,742</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>$1,236</td>
<td>$1,556</td>
<td>$1,944</td>
<td>$712</td>
<td>$1,583</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70</td>
<td>$1,398</td>
<td>$1,763</td>
<td>$2,182</td>
<td>$798</td>
<td>$1,793</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>$1,636</td>
<td>$2,059</td>
<td>$2,508</td>
<td>$918</td>
<td>$2,095</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td>$1,801</td>
<td>$2,268</td>
<td>$2,712</td>
<td>$992</td>
<td>$2,305</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>85</td>
<td>$1,920</td>
<td>$2,418</td>
<td>$2,879</td>
<td>$1,054</td>
<td>$2,460</td>
<td>$2,178</td>
<td>$1,258</td>
<td>$1,424</td>
<td>$1,663</td>
<td>$1,832</td>
<td>$1,955</td>
</tr>
</tbody>
</table>
Counseling Tips

• **Always** contact the insurance company for a premium estimation.
  - It is up to the company to impose medical underwriting or not

• When speaking to an insurance rep, write down their name and time/date of the call
  - If the rep tells you incorrect information, such as not imposing a pre-existing waiting period and they later deny coverage for that pre-existing condition, you may be able to fight for coverage

• If a representative is not honoring Medicare Supplement rights & regulations, try to provide source of policy

• The state Department of Insurance oversees complaints about Medicare Supplement companies. If a Supplement policy is wrongfully denying your client coverage, contact the Illinois DOI at 877-527-9431 to file a complaint
Questions?
Resources

- Medicare Supplement Premium Comparison Guide- Illinois Department on Aging

- Centers for Medicare & Medicaid Services

- Centers for Medicare & Medicaid Services
  - [https://www.medicare.gov/supplement-other-insurance/when-can-i-buy-medigap/switching-plans/switch-medigap-.html](https://www.medicare.gov/supplement-other-insurance/when-can-i-buy-medigap/switching-plans/switch-medigap-.html)

- Joint Committee on Administrative Rules (J CAR) -

Program Memorandum Issued to Insurance Companies from CMS:

- [https://www.cms.gov/Medicare/Health-Plans/Medigap/downloads/mdgp0401.pdf](https://www.cms.gov/Medicare/Health-Plans/Medigap/downloads/mdgp0401.pdf)
Thank You!

To download MMW Materials, see our 2016 calendar of events and join the MMW email list, visit:

http://www.ageoptions.org/services-and-programs_makemedicarework.html