

# 2012

## Choosing A Medigap Policy

**This official government guide has important information about the following:**

- What is a Medigap (Medicare Supplement Insurance) policy
- What Medigap policies cover
- Your rights to buy a Medigap policy
- How to buy a Medigap policy

This guide can help if you're thinking about buying a Medigap policy or already have one.



**Centers for Medicare & Medicaid Services**

Developed jointly by The Centers for Medicare & Medicaid Services (CMS)  
and the National Association of Insurance Companies (NAIC)



## **How to use this guide**

There are two ways to find the information you need:

The “Table of Contents” on pages 2 – 4 can help you find the sections you need.

The “List of Topics” on pages 109 – 115 lists topics in this guide and the page number of where to find them.

## **Who should read this guide?**

This guide helps people with Medicare understand Medigap (also called “Medicare Supplement Insurance”) policies. A Medigap policy is a type of private insurance that helps you pay for some of the costs that Original Medicare doesn’t cover.

● **End of Page**

**Underlined words are defined on pages 103 – 107**

## 2 – Table of Contents

### Section 1: Medicare Basics

A brief look at Medicare \_\_\_ Page 5

What is Medicare? \_\_\_ Page 6

The different parts of Medicare \_\_\_ Pages 6 – 7

Your Medicare coverage choices at a glance \_\_\_  
Pages 8 – 10

### Section 2: Medigap Basics

What is a Medigap policy? \_\_\_ Pages 11 – 12

What Medigap policies cover \_\_\_ Pages 13 – 16

What Medigap policies don't cover \_\_\_ Page 17

Types of coverage that are NOT Medigap policies \_\_\_  
Page 17

What types of Medigap policies can insurance companies  
sell? \_\_\_ Page 18

What do I need to know if I want to buy a Medigap policy?  
\_\_\_ Pages 19 – 20

When is the best time to buy a Medigap policy? \_\_\_  
Pages 21 – 24

Why is it important to buy a Medigap policy when I'm first  
eligible? \_\_\_ Pages 24 – 25

How do insurance companies set prices for Medigap  
policies? \_\_\_ Page 26

What this pricing may mean for you \_\_\_ Pages 27 – 29

### 3 – Table of Contents (continued)

#### **Section 2: Medigap Basics (continued)**

Comparing Medigap costs \_\_\_ Pages 30 – 31

What is Medicare SELECT? \_\_\_ Page 32

How does Medigap help pay your Medicare Part B bills?  
\_\_\_ Pages 32 – 33

#### **Section 3: Your Right to Buy a Medigap Policy**

What are guaranteed issue rights? \_\_\_ Page 35

When do I have guaranteed issue rights? \_\_\_ Page 36

Can I buy a Medigap policy if I lose my health care  
coverage? \_\_\_ Pages 46 – 48

#### **Section 4: Steps to Buying a Medigap Policy**

Step-by-Step Guide to Buying a Medigap Policy \_\_\_  
Pages 49 – 62

#### **Section 5: For People Who Already Have a Medigap Policy**

Switching Medigap policies \_\_\_ Pages 64 – 71

Losing Medigap coverage \_\_\_ Page 72

Medigap policies and Medicare prescription drug coverage  
\_\_\_ Pages 73 – 77

## 4 – Table of Contents (continued)

### **Section 6: Medigap Policies for People with a Disability or ESRD**

Information for people under 65 \_\_\_ Pages 79 – 82

### **Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin**

Massachusetts benefits \_\_\_ Pages 84 – 86

Minnesota benefits \_\_\_ Pages 87 – 90

Wisconsin benefits \_\_\_ Pages 91 – 93

### **Section 8: For More Information**

Where to get more information \_\_\_ Page 95

How to get help with Medicare and Medigap questions \_\_\_  
Page 96

State Health Insurance Assistance Program and State  
Insurance Department \_\_\_ Pages 97 – 101

### **Section 9: Definitions**

Where Underlined words are defined \_\_\_ Pages 103 – 107

### **Section 10: List of Topics**

An alphabetical list of what's in this guide \_\_\_  
Pages 109 – 115



## SECTION 1: MEDICARE BASICS

### A brief look at Medicare

This guide helps people with Medicare understand Medigap (also called “Medicare Supplement Insurance”) policies.

A Medigap policy is health insurance sold by private insurance companies to fill gaps in Original Medicare coverage. Medigap policies can help pay your share (coinsurance, copayments, or deductibles) of the costs of Medicare-covered services. Some Medigap policies also cover certain benefits Original Medicare doesn’t cover. Medigap policies don’t cover your share of the costs under other types of health coverage, including Medicare Advantage Plans, stand-alone Medicare Prescription Drug Plans, employer/union group health coverage, Medicaid, Department of Veterans Affairs (VA) benefits, or TRICARE. Insurance companies generally can’t sell you a Medigap policy if you have coverage through Medicaid or a Medicare Advantage Plan.

Before you learn more about Medigap policies, the next few pages provide a brief look at Medicare. If you already know the basics about Medicare and only want to learn about Medigap, skip to page 11.

**Underlined words are defined on pages 103 – 107**

## 6 – Section 2: Medigap Basics

### What is Medicare?

Medicare is health insurance for the following:

- People 65 or older
- People under 65 with certain disabilities
- People of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant)

### The different parts of Medicare

The different parts of Medicare help cover specific services:

#### Medicare Part A (Hospital Insurance)

- Helps cover inpatient care in hospitals
- Helps cover skilled nursing facility, hospice, and home health care

#### Medicare Part B (Medical Insurance)

- Helps cover doctors' and other health care providers' services, hospital outpatient care, durable medical equipment, and home health care
- Helps cover many preventive services to help maintain your health and to keep certain illnesses from getting worse

**Underlined words are defined on pages 103 – 107**

## 7 – Section 2: Medigap Basics

### The different parts of Medicare (continued)

#### **Medicare Part C (also known as Medicare Advantage)**

Offers health plan options run by Medicare-approved private insurance companies. Medicare Advantage Plans are a way to get the benefits and services covered under Part A and Part B. Most Medicare Advantage Plans cover Medicare prescription drug coverage (Part D). Some Medicare Advantage Plans may include extra benefits for an extra cost.

#### **Medicare Part D (Medicare Prescription Drug Coverage)**

- Helps cover the cost of prescription drugs
- May help lower your prescription drug costs and help protect against higher costs
- Run by Medicare-approved private insurance companies

- **End of Page**

**Underlined words are defined on pages 103 – 107**

## 8 – Section 2: Medigap Basics

### **Your Medicare Coverage Choices at a Glance**

There are two main ways to get your Medicare coverage: Original Medicare or a Medicare Advantage Plan. Use these steps to help you decide which way to get your coverage. See page 71 for information about Medicare Advantage Plans and Medigap policies.

#### **Start**

**Step 1: Decide how you want to get your coverage.**

#### **Original Medicare**

##### **Part A**

Hospital Insurance

##### **Part B**

Medical Insurance

**Step 2: Decide if you need to add drug coverage.**

##### **Part D**

Prescription Drug Coverage

## 9 – Section 2: Medigap Basics

### Your Medicare Coverage Choices at a Glance (continued)

**Step 3: Decide if you need to add supplemental coverage.**

#### **Medigap**

(Medicare Supplement Insurance) policy

**END**

**OR**

**Step 1: Decide how you want to get your coverage.**

#### **Medicare Advantage Plan (like an HMO or PPO)**

Combines Part A, Part B, and **usually** Part D

**Step 2: Decide if you need to add drug coverage.**

#### **Part D**

Prescription Drug Coverage (if not already included)

**END**

**If you join a Medicare Advantage Plan, you don't need and can't be sold a Medigap policy.**

## 10 — Section 2: Medigap Basics

### **Your Medicare Coverage Choices at a Glance (continued)**

#### **For more information**

Remember, this guide is about Medigap policies. To learn more about Medicare, visit [www.medicare.gov/Publications](http://www.medicare.gov/Publications) to view the “Medicare & You” handbook. You can also call 1 800 633 - 4227. TTY users should call 1 877 486 - 2048.

● **End of Page**



## SECTION 2: MEDIGAP BASICS

### What is a Medigap policy?

A Medigap policy (also called “Medicare Supplement Insurance”) is private health insurance that’s designed to supplement Original Medicare. This means it helps pay some of the health care costs (“gaps”) that Original Medicare doesn’t cover (like copayments, coinsurance, and deductibles). If you have Original Medicare and a Medigap policy, Medicare will pay its share of the Medicare-approved amounts for covered health care costs. Then your Medigap policy pays its share. A Medigap policy is different from a Medicare Advantage Plan (like an HMO or PPO) because those plans are ways to get Medicare benefits, while a Medigap policy only supplements your Original Medicare benefits.

**Note:** Medicare doesn’t pay any of the costs for you to get a Medigap policy.

**Underlined words are defined on pages 103 – 107**

## 12 – Section 2: Medigap Basics

### What is a Medigap policy? (continued)

Every Medigap policy must follow Federal and state laws designed to protect you, and the policy must be clearly identified as “Medicare Supplement Insurance.” 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. Cost is usually the only difference between Medigap policies with the same letter sold by different insurance companies.

In Massachusetts, Minnesota, and Wisconsin, Medigap policies are standardized in a different way. See pages 84 – 93. In some states, you may be able to buy another type of Medigap policy called Medicare SELECT. SELECT plans are standardized plans that may require you to see certain providers and may cost less than other plans. See page 32.

● End of Page

Underlined words are defined on pages 103 – 107

## 13 — Section 2: Medigap Basics

### What Medigap policies cover

The information on the next few pages gives you a quick look at the standardized Medigap Plans available.

#### Note:

- Insurance companies selling Medigap policies are required to make Plan A available. If they offer any other Medigap plan, they must also offer either Medigap Plan C or Plan F. Not all types of Medigap policies may be available in your state. See pages 84 – 93 if you live in **Massachusetts, Minnesota, or Wisconsin**. If you need more information, call your State Insurance Department or State Health Insurance Assistance Program. See pages 97 – 101 for your state’s phone number.
- **Plans D and G** —Plans D and G effective on or after June 1, 2010, have different benefits than D or G Plans bought before June 1, 2010.
- **Plans No Longer for Sale** —Plans E, H, I, and J are no longer sold, **but**, if you already have one, you can keep it.

**Underlined words are defined on pages 103 – 107**

## 14 — Section 2: Medigap Basics

### Medigap Plans

#### How to read the following information:

If the plan letter appears, the Medigap policy covers 100% of the described benefit. If a percentage is listed with the plan letter, the policy covers that percentage of the described benefit. If a letter or percentage is not listed, the policy doesn't cover that benefit.

**Note:** The Medigap policy covers coinsurance only after you have paid the deductible (unless the Medigap policy also covers the deductible).

**Medicare Part A Coinsurance hospital costs up to an additional 365 days after Medicare benefits are used up**

Medigap Plans A, B, C, D, F\*, G, K, L, M or N  
Out-of-Pocket Limit \*\* K \$4,640 L \$2,320

### Medicare Part B Coinsurance or Copayment

Medigap Plans A, B, C, D, F\*, G, K 50%, L 75%,  
M or N\*\*\*  
Out-of-Pocket Limit\*\* K \$4,640 L \$2,320

### Blood (First 3 Pints)

Medigap Plans A, B, C, D, F\*, G, K 50%, L 75%,  
M or N  
Out-of-Pocket Limit\*\* K \$4,640 L \$2,320

## 15 — Section 2: Medigap Basics

### Medigap Plans: (continued)

#### Part A Hospice Care Coinsurance or Copayment

Medigap Plans A, B, C, D, F\*, G, K 50%, L 75%,  
M or N

Out-of-Pocket Limit\*\* K \$4,640 L \$2,320

#### Skilled Nursing Facility Care Coinsurance

Medigap Plans C, D, F\*, G, K 50%, L 75%, M or N

Out-of-Pocket Limit\*\* K \$4,640 L \$2,320

#### Medicare Part A Deductible

Medigap Plans B, C, D, F\*, G, K 50%, L 75%, M 50%  
or N

Out-of-Pocket Limit\*\* K \$4,640 L \$2,320

#### Medicare Part B Deductible

Medigap Plans C or F\*

#### Medicare Part B Excess Charges

Medigap Plans F\* or G

#### Foreign Travel Emergency (Up to Plan Limits)

Medigap Plans C, D, F\*, G, M or N

## 16 — Section 2: Medigap Basics

### Medigap Plans: (continued)

\*Plan F also offer a high-deductible plan. If you choose this option, this means you must pay for Medicare-covered costs up to the deductible amount of \$2,070 in 2012 before your Medigap plan pays anything.

\*\*After you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$140 in 2012), the Medigap plan pays 100% of covered services for the rest of the calendar year.

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

● End of Page

## 17 – Section 2: Medigap Basics

### What Medigap policies don't cover

Generally, Medigap policies don't cover long-term care (like care in a nursing home), vision or dental care, hearing aids, eyeglasses, or private-duty nursing.

### Types of coverage that are NOT Medigap policies

- Medicare Advantage Plans (Part C), like an HMO, PPO, or Private Fee-for-Service Plan
- Medicare Prescription Drug Plans (Part D)
- Medicaid
- Employer or union plans, including the Federal Employees Health Benefits Program (FEHBP)
- TRICARE
- Veterans' benefits
- Long-term care insurance policies
- Indian Health Service, Tribal, and Urban Indian Health plans

**Underlined words are defined on pages 103 – 107**

## 18 – Section 2: Medigap Basics

### What types of Medigap policies can insurance companies sell?

In most cases, Medigap insurance companies can sell you only a “standardized” Medigap policy. All Medigap policies must have specific benefits so you can compare them easily. If you live in Massachusetts, Minnesota, or Wisconsin, see pages 84 – 93.

Insurance companies that sell Medigap policies don’t have to offer every Medigap plan. However, they must offer Medigap Plan A if they offer any Medigap policy. If they offer any plan in addition to Plan A, they must also offer Plan C or Plan F. Each insurance company decides which Medigap policies it wants to sell, although state laws might affect which ones they offer.

In some cases, an insurance company must sell you a Medigap policy, even if you have health problems. Listed below are certain times that you’re guaranteed the right to buy a Medigap policy:

- When you’re in your Medigap open enrollment period. See pages 21 – 25.
- If you have a guaranteed issue right. See pages 35 – 48.

You may also buy a Medigap policy at other times, but the insurance company can deny you a Medigap policy based on your health. Also, in some cases it may be illegal for the insurance company to sell you a Medigap policy (such as if you already have Medicaid or a Medicare Advantage Plan).

**Underlined words are defined on pages 103 – 107**

## 19 – Section 2: Medigap Basics

### What do I need to know if I want to buy a Medigap policy?

- You must have Medicare Part A and Part B to buy a Medigap policy.
- If you have a Medicare Advantage Plan but are planning to return to Original Medicare, you can apply for a Medigap policy before your coverage ends. The Medigap insurer can sell it to you as long as you're leaving the plan. Ask that the new policy start no later than when your Medicare Advantage Plan enrollment ends, so you will have continuous coverage.
- Plans E, H, I, and J are no longer for sale, but you can keep these plans if you already have one.
- You pay the private insurance company a monthly premium for your Medigap policy in addition to the monthly Part B premium that you pay to Medicare.
- A Medigap policy only covers one person. If you and your spouse both want Medigap coverage, **you each will have to buy separate Medigap policies.**
- You can buy a Medigap policy from any insurance company that's licensed in your state to sell one.
- If you want to buy a Medigap policy, see page 13 to review the benefit choices. Then, follow the **“Steps to Buying a Medigap Policy”** on pages 49 – 62.

**Underlined words are defined on pages 103 – 107**

## 20 – Section 2: Medigap Basics

### What do I need to know if I want to buy a Medigap policy? (continued)

- If you want to drop your Medigap policy, write your insurance company to cancel the policy and confirm it's cancelled. Your agent can't cancel the policy for you.
- Any standardized Medigap policy is guaranteed renewable even if you have health problems. This means the insurance company can't cancel your Medigap policy as long as you pay the premium.
- Cost is usually the only difference between Medigap policies with the same letter sold by different insurance companies.
- Although some Medigap policies sold in the past covered prescription drugs, Medigap policies sold after January 1, 2006, aren't allowed to include prescription drug coverage.
- If you want prescription drug coverage, you can join a Medicare Prescription Drug Plan (Part D) offered by private companies approved by Medicare.  
See page 7.

To learn about Medicare prescription drug coverage, visit [www.medicare.gov/publications](http://www.medicare.gov/publications) to view the booklet "Your Guide to Medicare Prescription Drug Coverage," or call 1 800 633 - 4227. TTY users should call 1 877 486 - 2048.

**Underlined words are defined on pages 103 – 107**

## 21 – Section 2: Medigap Basics

### When is the best time to buy a Medigap policy?

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 on the next page)

- End of Page

Underlined words are defined on pages 103 – 107

## 22 — Section 2: Medigap Basics

### When is the best time to buy a Medigap policy? (continued)

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. A pre-existing condition is a health problem you have before the date a new insurance policy starts. 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. This is called a "pre-existing condition waiting period." After 6 months, the Medigap policy will cover the pre-existing condition. 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. 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, but you're responsible for the coinsurance or copayment.

**Underlined words are defined on pages 103 – 107**

## 23 – Section 2: Medigap Basics

### **When is the best time to buy a Medigap policy? (continued)**

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. You can also call your State Health Insurance Assistance Program. See pages 97 – 101.

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. See pages 35 – 48 for more information about guaranteed issue rights.

**Underlined words are defined on pages 103 – 107**

## 24 — Section 2: Medigap Basics

### When is the best time to buy a Medigap policy? (continued)

**Note:** If you're under 65 and have Medicare, generally because of a disability or ESRD, you might not be able to buy the Medigap policy you want, or any Medigap policy, until you turn 65. Federal law doesn't require insurance companies to sell Medigap policies to people under 65. However, some states require Medigap insurance companies to sell you a Medigap policy, even if you're under 65. See page 79 for more information.

### Why is it important to buy a Medigap policy when I'm first eligible?

It's very important to understand your Medigap open enrollment period. Medigap insurance companies are generally allowed to use medical underwriting to decide whether to accept your application and how much to charge you for the Medigap policy. However, if you apply during your Medigap open enrollment period, you can buy any Medigap policy the company sells, even if you have health problems, for the same price as people with good health. If you apply for Medigap coverage **after** your open enrollment period, there is no guarantee that an insurance company will sell you a Medigap policy if you don't meet the medical underwriting requirements, **unless** you're eligible because of one of the limited situations listed on pages 37 – 45.

**Underlined words are defined on pages 103 – 107**

## 25 — Section 2: Medigap Basics

### **Why is it important to buy a Medigap policy when I'm first eligible? (continued)**

It's also important to understand that your Medigap rights may depend on when you choose to enroll in Medicare Part B. If you're 65 or older, your Medigap open enrollment period begins when you enroll in Part B **and** can't be changed or repeated. In most cases, it makes sense to enroll in Part B when you're first eligible, because you might otherwise have to pay a Part B late enrollment penalty.

However, if you have group health coverage through an employer or union, because either you or your spouse is currently working, you may want to wait to enroll in Part B. This is because employer plans often provide coverage similar to Medigap, so you don't need a Medigap policy. When your employer coverage ends, you will get a chance to enroll in Part B without a late enrollment penalty which means your Medigap open enrollment period will start when you're ready to take advantage of it. If you enrolled in Part B while you still had the employer coverage, your Medigap open enrollment period would start, and unless you bought a Medigap policy before you needed it, you would miss your open enrollment period entirely. If you or your spouse is still working and you have coverage through an employer, contact your employer or union benefits administrator to find out how your insurance works with Medicare. See page 35 for more information.

## 26 – Section 2: Medigap Basics

### How do insurance companies set prices for Medigap policies?

Each insurance company decides how it will set the price, or premium, for its Medigap policies. It's important to ask how an insurance company prices its policies. The way they set the price affects how much you pay now and in the future. Medigap policies can be priced or "rated" in three ways:

1. Community-rated (also called "no-age-rated")
2. Issue-age-rated (also called "entry-age-rated")
3. Attained-age-rated

Each of these ways of pricing Medigap policies is described on pages 27 – 29. The examples show how your age affects your premiums, and why it's important to look at how much the Medigap policy will cost you now and in the future. The amounts in the examples aren't actual costs. Other factors such as geographical rating, medical underwriting, and discounts can also affect the amount of your premiums.

**Underlined words are defined on pages 103 – 107**

## 27 – Section 2: Medigap Basics

### How do insurance companies set prices for Medigap policies? (continued)

#### **Type of pricing**

Community-rated (also called “no-age-rated”)

#### **How it’s priced**

Generally the same monthly premium is charged to everyone who has the Medigap policy, regardless of age.

#### **What this pricing may mean for you**

Your premium isn’t based on your age. Premiums may go up because of inflation and other factors but not because of your age.

#### **Examples**

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.

**Underlined words are defined on pages 103 – 107**

## 28 — Section 2: Medigap Basics

### How do insurance companies set prices for Medigap policies? (continued)

#### **Type of pricing**

Issue-age-rated (also called “entry age-rated”)

#### **How it’s priced**

The premium is based on the age you are when you buy (are “issued”) the Medigap policy.

#### **What this pricing may mean for you**

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.

#### **Examples**

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.

#### **Type of pricing**

Attained-age-rated

#### **How it’s priced**

The premium is based on your current age (the age you have “attained”), so your premium goes up as you get older.

## 29 — Section 2: Medigap Basics

### How do insurance companies set prices for Medigap policies? (continued)

#### What this pricing may mean for you

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.

#### Examples

Mrs. Anderson is 65. She buys a Medigap policy and pays a \$120 monthly premium.

- At 66, her premium goes up to \$126.
- At 67, her premium goes up to \$132.
- At 72, her premium goes up to \$165.

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 every year.

- At 73, his premium goes up to \$171.
- At 74, his premium goes up to \$177.

## 30 — Section 2: Medigap Basics

### Comparing Medigap costs

As discussed on the previous pages, the cost of Medigap policies can vary widely. **There can be big differences in the premiums that different insurance companies charge for exactly the same coverage.** As you shop for a Medigap policy, be sure to compare the same type of Medigap policy, and consider the type of pricing used. See pages 26 – 29. For example, compare a Medigap Plan C from one insurance company with a Medigap Plan C from another insurance company. Although this guide **can't** give actual costs of Medigap policies, you can get this information by calling insurance companies or your State Health Insurance Assistance Program. See pages 97 – 101.

You can also find out which insurance companies sell Medigap policies in your area by visiting [www.medicare.gov/medigap](http://www.medicare.gov/medigap).

The cost of your Medigap policy may also depend on whether the insurance company does any of the following:

- Offers discounts (such as discounts for women, non-smokers, or people who are married; discounts for paying yearly; discounts for paying your premiums using electronic funds transfer; or discounts for multiple policies).

**Underlined words are defined on pages 103 – 107**

## 31 – Section 2: Medigap Basics

### Comparing Medigap costs (continued)

- Uses medical underwriting, or applies a different premium when you don't have a guaranteed issue right, or aren't in a Medigap open enrollment period.
- Sells Medicare SELECT policies that may require you to use certain providers. If you buy this type of Medigap policy, your premium may be less. See page 32.
- Offers a “high-deductible option” for Medigap Plan F. If you buy Medigap Plan F with a high-deductible option, you must pay the first \$2,070 (in 2012) of deductibles, copayments, and coinsurance not paid by Medicare before the Medigap policy pays anything. You must also pay a separate deductible (\$250 per year) for foreign travel emergency services.
- If you bought your Medigap Plan J before January 1, 2006, and it still covers prescription drugs, you would also pay a separate deductible (\$250 per year) for prescription drugs covered by the Medigap policy. And, if you have a Plan J with a high deductible option, you must pay a \$2,070 deductible before the policy pays anything.

**Underlined words are defined on pages 103 – 107**

## 32 — Section 2: Medigap Basics

### **What is Medicare SELECT?**

Medicare SELECT is a type of Medigap policy sold in some states that requires you to use hospitals and, in some cases, doctors within its network to be eligible for full insurance benefits (except in an emergency). Medicare SELECT can be any of the standardized Medigap Plans. See pages 13 – 16. These policies generally cost less than other Medigap policies. However, if you don't use a Medicare SELECT hospital or doctor for non-emergency services, you will have to pay some or all of what Medicare doesn't pay. Medicare will pay its share of approved charges no matter which hospital or doctor you choose.

### **How does Medigap help pay your Medicare Part B bills?**

In most Medigap policies, when you sign the Medigap insurance contract you agree to have the Medigap insurance company get your Medicare Part B claim information directly from Medicare, and then they pay the doctor directly. Some Medigap insurance companies also provide this service for Medicare Part A claims.

**Underlined words are defined on pages 103 – 107**

## 33 – Section 2: Medigap Basics

### How does Medigap help pay your Medicare Part B bills? (continued)

If your Medigap insurance company **doesn't** provide this service, ask your doctors if they “participate” in Medicare. This means that they “accept assignment” for all Medicare patients. If your doctor participates, the Medigap insurance company is required to pay the doctor directly if you request.

If you have any questions about Medigap claim filing, call 1 800 633 - 4227. TTY users should call 1 877 486 - 2048.

● End of Page

Underlined words are defined on pages 103 – 107





## SECTION 3: YOUR RIGHT TO BUY A MEDIGAP POLICY

### What are guaranteed issue rights?

As explained on pages 21 – 24, the best time to buy a Medigap policy is during your Medigap open enrollment period, when you have the right to buy any Medigap policy offered in your state. However, even if you aren't in your Medigap open enrollment period, there are several situations in which you may still have a guaranteed right to buy a Medigap policy if you're 65 or older. See pages 35 – 36 for more information.

Guaranteed issue rights (also called “Medigap protections”) are rights you have in certain situations when insurance companies must offer you certain Medigap policies. In these situations, an insurance company must do the following:

- Sell you a Medigap policy
- Cover all your pre-existing health conditions
- Can't charge you more for a Medigap policy regardless of past or present health problems

If you live in Massachusetts, Minnesota, or Wisconsin, you have guaranteed issue rights to buy a Medigap policy, but the Medigap policies are different. See pages 84 – 93 for your Medigap policy choices.

**Underlined words are defined on pages 103 – 107**

## 36 — Section 3: Your Right to Buy a Medigap Policy

### When do I have guaranteed issue rights?

In most cases, you have a guaranteed issue right when you have other health care coverage that changes in some way, such as when you lose 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. For trial rights, see page 41.

● End of Page

Underlined words are defined on pages 103 – 107

## 37 — Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 1:** You are 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.

**You have the right to buy...**

Medigap Plan A, B, C, F, K, or L that is sold in your state by any insurance company.

You only have this right if you switch to Original Medicare rather than join another Medicare Advantage Plan.

**You can/must apply for a Medigap policy...**

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.

**Underlined words are defined on pages 103 – 107**

## 38 — Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 2:** 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.

**Note:** In this situation, you may have additional rights under state law.

**You have the right to buy...**

Medigap Plan A, B, C, F, K, or L that is sold in your state by any insurance company.

If you have COBRA coverage, you can either buy a Medigap policy right away or wait until the COBRA coverage ends.

## 39 — Section 3: Your Right to Buy a Medigap Policy

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

**You can/must apply for a Medigap policy...**

No later than 63 calendar days after the latest of these 3 dates:

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.

● **End of Page**

## 40 — Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 3:** You have Original Medicare and a Medicare SELECT policy. You move out of the Medicare SELECT policy's service area.

Call the Medicare SELECT insurer for more information about your options.

**You have the right to buy...**

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.

**You can/must apply for a Medigap policy...**

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.

**Underlined words are defined on pages 103 – 107**

## 41 – Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 4: (Trial Right)** 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 have the right to buy...**

Any Medigap policy that's sold in your state by any insurance company.

**You can/must apply for a Medigap policy...**

As early as 60 calendar days before the date your coverage will end, but no later than 63 calendar days after your coverage ends.

**Note:** Your rights may last for an extra 12 months under certain circumstances.

**Underlined words are defined on pages 103 – 107**

## 42 — Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 5: (Trial Right)** You dropped a Medigap policy to join a Medicare Advantage Plan (or to switch to a Medicare SELECT policy) for the first time, you have been in the plan less than a year, and you want to switch back.

**You have the right to buy...**

The Medigap policy you had before you joined the Medicare Advantage Plan or Medicare SELECT policy, if the same insurance company you had before still sells it.

If your former Medigap policy **isn't** available, you can buy a Medigap Plan A, B, C, F, K, or L that is sold in your state by any insurance company.

**Underlined words are defined on pages 103 – 107**

## 43 — Section 3: Your Right to Buy a Medigap Policy

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

**You can/must apply for a Medigap policy...**

As early as 60 calendar days before the date your coverage will end, but no later than 63 calendar days after your coverage ends.

**Note:** Your rights may last for an extra 12 months under certain circumstances.

● **End of Page**

## 44 — Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 6:** Your Medigap insurance company goes bankrupt and you lose your coverage, or your Medigap policy coverage otherwise ends through no fault of your own.

**You have the right to buy...**

Medigap Plan A, B, C, F, K, or L that is sold in your state by any insurance company.

**You can/must apply for a Medigap policy...**

No later than 63 calendar days from the date your coverage ends.

● **End of Page**

## 45 — Section 3: Your Right to Buy a Medigap Policy

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

**You have a guaranteed issue right if...**

**Situation 7:** You leave a Medicare Advantage Plan or drop a Medigap policy because the company hasn't followed the rules, or it misled you.

**You have the right to buy...**

Medigap Plan A, B, C, F, K, or L that's sold in your state by any insurance company.

**You can/must apply for a Medigap policy...**

No later than 63 calendar days from the date your coverage ends.

● End of Page

## 46 – Section 3: Your Right to Buy a Medigap Policy

### Can I buy a Medigap policy if I lose my health care coverage?

Because you may have a guaranteed issue right to buy a Medigap policy, make sure you keep the following:

- A copy of any letters, notices, emails, and/or claim denials that have your name on them as proof of your coverage being terminated
- The postmarked envelope these papers come in as proof of when it was mailed

You may need to send a copy of some or all of these papers with your Medigap application to prove you have a guaranteed issue right.

If you have a Medicare Advantage Plan but you're planning to return to Original Medicare, you can apply for a Medigap policy before your coverage ends. The Medigap insurer can sell it to you as long as you're leaving the plan. Ask that the new policy take effect no later than when your Medicare Advantage enrollment ends, so you will have continuous coverage.

**Underlined words are defined on pages 103 – 107**

## 47 — Section 3: Your Right to Buy a Medigap Policy

**Can I buy a Medigap policy if I lose my health care coverage? (continued)**

**For more information**

If you have any questions or want to learn about any additional Medigap rights in your state, you can do the following:

- Call your State Health Insurance Assistance Program to make sure that you qualify for these guaranteed issue rights. See pages 97 – 101.
- Call your State Insurance Department if you're denied Medigap coverage in any of these situations. See pages 97 – 101.

- **End of Page**

**Underlined words are defined on pages 103 – 107**

## 48 — Section 3: Your Right to Buy a Medigap Policy

### Can I buy a Medigap policy if I lose my health care coverage? (continued)

**Important:** The guaranteed issue rights in this section are from Federal law. These rights are for both Medigap and Medicare SELECT policies. Many states provide additional Medigap rights.

There may be times when more than one of the situations on pages 37 – 45, applies to you. When this happens, you can choose the guaranteed issue right that gives you the best choice.

Some of the situations listed on pages 37 – 45 include loss of coverage under Programs of All-Inclusive Care for the Elderly (PACE). PACE combines medical, social, and long-term care services, and prescription drug coverage for frail people. To be eligible for PACE, you must meet certain conditions. PACE may be available in states that have chosen it as an optional Medicaid benefit. If you have Medicaid, an insurance company can sell you a Medigap policy **only** in certain situations. For more information about PACE, call 1 800 633 - 4227. TTY users should call 1 877 486 - 2048.

**Underlined words are defined on pages 103 – 107**



## SECTION 4: STEPS TO BUYING A MEDIGAP POLICY

### Step-by-Step Guide to Buying a Medigap Policy

Buying a **Medigap policy** is an important decision. Only you can decide if a Medigap policy is the way for you to supplement Original Medicare coverage and which Medigap policy to choose. Shop carefully. Compare available Medigap policies to see which one meets your needs. As you shop for a Medigap policy, keep in mind that different insurance companies may charge different amounts for exactly the same Medigap policy, and not all insurance companies offer all of the Medigap policies.

Below is a step-by-step guide to help you buy a Medigap policy. If you live in Massachusetts, Minnesota, or Wisconsin, see pages 84 – 93.

**STEP 1:** Decide which benefits you want, then decide which of the Medigap Plans A through N meet your needs.

**STEP 2:** Find out which insurance companies sell Medigap policies in your state.

**STEP 3:** Call the insurance companies that sell the Medigap policies you're interested in and compare costs.

**STEP 4:** Buy the Medigap policy.

**Underlined words are defined on pages 103 – 107**

## 50 — Section 4: Steps to Buying a Medigap Policy

**STEP 1: Decide which benefits you want, then decide which of the Medigap Plans A through N meet your needs.**

You should think about your current and future health care needs when deciding which benefits you want because you might not be able to switch Medigap policies later. Decide which benefits you need, and select the Medigap policy that will work best for you. The information on pages 13 – 16 provide an overview of Medigap benefits.

**STEP 2: Find out which insurance companies sell Medigap policies in your state.**

To find out which insurance companies sell Medigap policies in your state, you can do any of the following:

- Call your State Health Insurance Assistance Program. See pages 97 – 101. Ask if they have a “Medigap rate comparison shopping guide” for your state. This guide usually lists companies that sell Medigap policies in your state and their costs.
- Call your State Insurance Department. See pages 97 – 101.

**Underlined words are defined on pages 103 – 107**

## 51 – Section 4: Steps to Buying a Medigap Policy

### **STEP 2: Find out which insurance companies sell Medigap policies in your state. (continued)**

- Visit [www.medicare.gov/medigap](http://www.medicare.gov/medigap).

This web site will help you find information on all your health plan options, including the Medigap policies in your area. You can also get information on the following:

- How to contact the insurance companies that sell Medigap policies in your state
- What each Medigap policy covers
- How insurance companies decide what to charge you for a Medigap policy premium

If you don't have a computer, your local library or senior center may be able to help you look at this information. You can also call 1 800 633 - 4227. A customer service representative will help you get information on all your health plan options including the Medigap policies in your area. TTY users should call 1 877 486 - 2048.

**Underlined words are defined on pages 103 – 107**

## 52 — Section 4: Steps to Buying a Medigap Policy

### **STEP 2: Find out which insurance companies sell Medigap policies in your state. (continued)**

Since costs can vary between companies, you should plan to call more than one insurance company that sells Medigap policies in your state. Before you call, check the companies to be sure they are honest and reliable by using one of the resources listed below.

- Call your State Insurance Department. Ask if they keep a record of complaints against insurance companies that can be shared with you. When deciding which Medigap policy is right for you, consider any complaints against the insurance company.
- Call your State Health Insurance Assistance Program. These programs can give you free help with choosing a Medigap policy.
- Go to your local public library for help with the following:
  - Get information on an insurance company's financial strength from independent rating services such as The Street.com Ratings, A.M. Best, and Standard & Poor's.
  - Look at information about the insurance company online.
- Talk to someone you trust, like a family member, your insurance agent, or a friend who has a Medigap policy from the same Medigap insurance company.

**Underlined words are defined on pages 103 – 107**

## 53 — Section 4: Steps to Buying a Medigap Policy

**STEP 3: Call the insurance companies that sell the Medigap policies you're interested in and compare costs.**

Before you call any insurance companies, figure out if you're in your Medigap open enrollment period or if you have a guaranteed issue right. Read pages 21 – 24 and 37 – 42 carefully. If you have questions, call your State Health Insurance Assistance Program. See pages 97 – 101. Keep track of the information you get on the lines that follow each question.

**Ask each insurance company...**

**“Are you licensed in \_\_\_?”** [Say the name of your state]

**Note:** If the answer is NO, stop right here, and try another company.

Insurance Company #1  
Insurance Company #2

● End of Page

**Underlined words are defined on pages 103 – 107**

## 54 — Section 4: Steps to Buying a Medigap Policy

**STEP 3: Call the insurance companies that sell the Medigap policies you're interested in and compare costs. (continued)**

**Ask each insurance company...**

**“Do you sell Medigap Plan \_\_\_?”** [Say the letter of the Medigap plan you're interested in.]

**Note:** Insurance companies usually offer some, but not all, Medigap policies. Make sure the company sells the plan you want. Also, if you're interested in a Medicare SELECT or high deductible Medigap policy, say so.

Insurance Company #1

Insurance Company #2

**“Do you use medical underwriting for this Medigap policy?”**

**Note:** If the answer is NO, go to step 4. If the answer is YES, but you know you're in your Medigap open enrollment period or have a guaranteed issue right to buy that Medigap policy, go to step 4. Otherwise, you can ask, “Can you tell me whether I am likely to qualify for the Medigap policy?”

Insurance Company #1

Insurance Company #2

**Underlined words are defined on pages 103 – 107**

**55 – Section 4: Steps to Buying a Medigap Policy**

**STEP 3: Call the insurance companies that sell the Medigap policies you’re interested in and compare costs. (continued)**

**Ask each insurance company...**

**“Do you have a waiting period for pre-existing conditions?”**

**Note:** If the answer is YES, ask how long the waiting period is, and write it below.

Insurance Company #1  
Insurance Company #2

**“Do you price this Medigap policy by using community-rating, issue-age-rating, or attained-age-rating?” See pages 27 – 29.**

**Note:** Circle the one that applies for that insurance company.

Insurance Company #1 - Community rating  
Issue-age rating  
Attained-age rating

Insurance Company #2 - Community rating  
Issue-age rating  
Attained-age rating

**Underlined words are defined on pages 103 – 107**

## 56 — Section 4: Steps to Buying a Medigap Policy

**STEP 3: Call the insurance companies that sell the Medigap policies you're interested in and compare costs. (continued)**

**Ask each insurance company...**

**“I am \_\_\_ years old. What would my premium be under this Medigap policy?”**

**Note:** If it's attained-age, ask, “How frequently does the premium increase due to my age?”

Insurance Company #1  
Insurance Company #2

**“Has the premium for this Medigap policy increased in the last 3 years due to inflation or other reasons?”**

**Note:** If the answer is YES, ask how much it has increased, and write it below.

Insurance Company #1  
Insurance Company #2

**Underlined words are defined on pages 103 – 107**

## 57 — Section 4: Steps to Buying a Medigap Policy

**STEP 3: Call the insurance companies that sell the Medigap policies you're interested in and compare costs. (continued)**

**Ask each insurance company...**

**“Do you offer any discounts or additional (innovative) benefits?” See pages 30 – 31.**

Insurance Company #1

Insurance Company #2

**“Is there any extra charge to process my claims automatically?”**

Insurance Company #1

Insurance Company #2

● **End of Page**

## 58 — Section 4: Steps to Buying a Medigap Policy

**STEP 3: Call the insurance companies that sell the Medigap policies you're interested in and compare costs. (continued)**

**Watch out for illegal insurance practices.**

It's illegal for anyone to do the following:

- Pressure you into buying a Medigap policy, or lie to or mislead you to switch from one company or policy to another.
- Sell you a second Medigap policy when they know that you already have one, unless you tell the insurance company in writing that you plan to cancel your existing Medigap policy.
- Sell you a Medigap policy if they know you have Medicaid, except in certain situations.
- Sell you a Medigap policy if they know you are in a Medicare Advantage Plan (like an HMO, PPO, or Private Fee-for-Service Plan) unless your coverage under the Medicare Advantage Plan will end before the effective date of the Medigap policy.
- Claim that a Medigap policy is part of the Medicare Program or any other Federal program. Medigap is private health insurance.
- Claim that a Medicare Advantage Plan is a Medigap policy.

**Underlined words are defined on pages 103 – 107**

## 59 — Section 4: Steps to Buying a Medigap Policy

### **STEP 3: Call the insurance companies that sell the Medigap policies you're interested in and compare costs. (continued)**

- Sell you a Medigap policy that can't legally be sold in your state. Check with your State Insurance Department (see pages 97 – 101) to make sure that the Medigap policy you're interested in can be sold in your state.
- Misuse the names, letters, or symbols of the U.S. Department of Health & Human Services (HHS), Social Security Administration (SSA), Centers for Medicare & Medicaid Services (CMS), or any of their various programs like Medicare. (For example, they can't suggest the Medigap policy has been approved or recommended by the Federal government.)
- Claim to be a Medicare representative if they work for a Medigap insurance company.
- Sell you a Medicare Advantage Plan when you say you want to stay in Original Medicare and buy a Medigap policy. A Medicare Advantage Plan isn't the same as Original Medicare. See page 5. If you enroll in a Medicare Advantage Plan, you can't use a Medigap policy.

If you believe that a Federal law has been broken, call the Inspector General's hotline at 1 800 447 - 8477. TTY users should call 1 800 377 - 4950. Your State Insurance Department can help you with other insurance-related problems.

**Underlined words are defined on pages 103 – 107**

## 60 — Section 4: Steps to Buying a Medigap Policy

### STEP 4: Buy the Medigap policy.

Once you decide on the insurance company and the Medigap policy you want, you should apply. The insurance company must give you a clearly worded summary of your Medigap policy. Read it carefully. If you don't understand it, ask questions. Remember the following when you buy your Medigap policy:

- **Filling out your application.** Fill out the application carefully and completely, including medical questions. The answers you give will determine your eligibility for open enrollment or guaranteed issue rights. If the insurance agent fills out the application, make sure it's correct. If you buy a Medigap policy during your Medigap open enrollment period or provide evidence that you're entitled to a guaranteed issue right, the insurance company can't use any medical answers you give to deny you a Medigap policy or change the price. The insurance company can't ask you any questions about your family history or require you to take a genetic test.

**Underlined words are defined on pages 103 – 107**

## 61 — Section 4: Steps to Buying a Medigap Policy

### STEP 4: Buy the Medigap policy. (continued)

- **Paying for your Medigap policy.** It's best to pay for your Medigap policy by check, money order, or bank draft. Make it payable to the insurance company, not the agent. If buying from an agent, get a receipt with the insurance company's name, address, and phone number for your records. Some companies may offer electronic funds transfer.
- **Starting your Medigap policy.** Ask for your Medigap policy to become effective when you want coverage to start. Generally, Medigap policies begin the first of the month after you apply. If, for any reason, the insurance company won't give you the effective date for the month you want, call your State Insurance Department. See pages 97 – 101.

**Note:** If you already have a Medigap policy, ask for your new Medigap policy to become effective when your old Medigap policy coverage ends.

- **Getting your Medigap policy.** If you don't get your Medigap policy in 30 days, call your insurance company. If you don't get your Medigap policy in 60 days, call your State Insurance Department. **See pages 97 – 101.**

**Underlined words are defined on pages 103 – 107**

## 62 — Section 4: Steps to Buying a Medigap Policy

### **STEP 4: Buy the Medigap policy. (continued)**

If you already have a Medigap policy, it's illegal for an insurance company to sell you a second policy unless you tell them in writing that you will cancel the first Medigap policy. However, don't cancel your old Medigap policy until the new one is in place, and you decide to keep it. See page 64. Once you get the new Medigap policy, you have 30 days to decide if you want to keep the new policy. This is called your "free look" period. The 30-day free look period begins on the day you get your Medigap policy. You will need to pay both premiums for one month.

● End of Page

**Underlined words are defined on pages 103 – 107**



## **SECTION 5: FOR PEOPLE WHO ALREADY HAVE A MEDIGAP POLICY**

You should read this section if any of these situations apply to you:

- You're thinking about switching to a different Medigap policy. See pages 64 – 71.
- You're losing your Medigap coverage. See page 72.
- You have a Medigap policy with Medicare prescription drug coverage. See pages 73 – 77.

If you just want a refresher about Medigap insurance, turn to pages 14 – 16.

- **End of Page**

## 64 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies

If you're satisfied with your current Medigap policy's cost, coverage, and customer service, you don't need to do anything. If you're thinking about switching to a new Medigap policy, see pages 64 – 71 to answer some common questions about switching Medigap policies.

### Can I switch to a different Medigap policy?

In most cases, you won't have a right under Federal law to switch Medigap policies, unless you're within your 6-month Medigap open enrollment period or are eligible under a specific circumstance for guaranteed issue rights. But, if your state has more generous requirements, or the insurance company is willing to sell you a Medigap policy, make sure you compare benefits and premiums before switching. If you bought your Medigap policy before 2010, it may offer coverage that isn't available in a newer Medigap policy. On the other hand, Medigap policies bought before 1992 might not be guaranteed renewable and might have bigger premium increases than newer, standardized Medigap policies currently being sold.

**Underlined words are defined on pages 103 – 107**

## 65 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

#### Can I switch to a different Medigap policy? (continued)

If you decide to switch, don't cancel your first Medigap policy until you have decided to keep the second Medigap policy. On the application for the new Medigap policy, you will have to promise that you will cancel your first Medigap policy. You have 30 days to decide if you want to keep the new Medigap policy. This is called your "free look period". The 30-day free look period starts when you get your new Medigap policy. You will need to pay both premiums for one month.

#### Do I have to switch Medigap policies if I have an older Medigap policy?

No. But if you buy a new Medigap policy, you have to give up your old policy (except for your 30-day "free look period," see page 68). Once you cancel the policy, you can't get it back, and it can no longer be sold because it isn't a standardized policy.

## 66 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

**Do I have to wait a certain length of time after I buy my first Medigap policy before I can switch to a different Medigap policy?**

No. You should be aware that if you've had your old Medigap policy for less than 6 months, the Medigap insurance company may be able to make you wait up to 6 months for coverage of a pre-existing condition. However, if your old Medigap policy had the same benefits, and you had it for 6 months or more, the new insurance company can't exclude your pre-existing condition. If you've had your Medigap policy less than 6 months, the number of months you've had your current Medigap policy must be subtracted from the time you must wait before your new Medigap policy covers your pre-existing condition.

If the new Medigap policy has a benefit that isn't in your current Medigap policy, you may still have to wait up to 6 months before that benefit will be covered, regardless of how long you have had your current Medigap policy.

**Underlined words are defined on pages 103 – 107**

## 67 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

#### Do I have to wait a certain length of time after I buy my first Medigap policy before I can switch to a different Medigap policy? (continued)

If you've had your current Medigap policy longer than 6 months and want to replace it with a new one with the same benefits and the insurance company agrees to issue the new policy, they can't write pre-existing conditions, waiting periods, elimination periods, or probationary periods into the replacement policy.

#### Why would I want to switch to a different Medigap policy?

Some reasons for switching may include the following:

- You're paying for benefits you don't need.
- You need more benefits than you needed before.
- Your current Medigap policy has the right benefits, but you want to change your insurance company.
- Your current Medigap policy has the right benefits, but you want to find a policy that's less expensive.

## 68 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

#### Why would I want to switch to a different Medigap policy? (continued)

It's important to compare the benefits in your current Medigap policy to the benefits listed on pages 13 – 16. If you live in Massachusetts, Minnesota, or Wisconsin, see pages 84 – 93. To help you compare benefits and decide which Medigap policy you want, follow the “**Steps to Buying a Medigap Policy**” in Section 4. If you decide to change insurance companies, you can call the new insurance company and arrange to apply for your new Medigap policy. If your application is accepted, call your current insurance company, and ask to have your coverage end. The insurance company can tell you how to submit a request to end your coverage.

As discussed on pages 64 – 65, you should have your old Medigap policy coverage end **after** you have the new Medigap policy for 30 days. Remember, this is your 30 - day free look period. You will need to pay both premiums for one month.

**Underlined words are defined on pages 103 – 107**

## 69 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

**Can I keep my current Medigap policy (or Medicare SELECT policy) or switch to a different Medigap policy if I move out-of-state?**

You can keep your current Medigap policy regardless of where you live as long as you still have Original Medicare. If you want to switch to a different Medigap policy, you will have to check with your current or the new insurance company to see if they will offer you a different Medigap policy.

You may have to pay more for your new Medigap policy and answer some medical questions if you're buying a Medigap policy outside of your Medigap open enrollment period. See pages 21 – 25.

● End of Page

**Underlined words are defined on pages 103 – 107**

## 70 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

#### Can I keep my current Medigap policy (or Medicare SELECT policy) or switch to a different Medigap policy if I move out-of-state? (continued)

If you have a Medicare SELECT policy and you move out of the policy's area, you have the following choices:

- Buy a standardized Medigap policy from your current Medigap policy insurance company that offers the same or fewer benefits than your current Medicare SELECT policy. If you've had your Medicare SELECT policy for more than 6 months, you won't have to answer any medical questions.
- You have a guaranteed issue right to buy a Medigap Plan A, B, C, F, K, or L that's sold in most states by any insurance company.

- **End of Page**

Underlined words are defined on pages 103 – 107

## 71 — Section 5: For People Who Already Have a Medigap Policy

### Switching Medigap policies (continued)

#### What happens to my Medigap policy if I join a Medicare Advantage Plan?

Medigap policies can't work with Medicare Advantage Plans. If you decide to keep your Medigap policy, you will have to pay your Medigap policy premium, but the Medigap policy can't pay any deductibles, copayments, coinsurance, or premiums under a Medicare Advantage Plan. So, if you want to join a Medicare Advantage Plan, you may want to drop your Medigap policy. Contact your Medigap Plan insurance company to find out how to disenroll. However, if you leave the Medicare Advantage Plan you might not be able to get the same Medigap policy back, or in some cases, any Medigap policy unless you have a "trial right." See page 41. Your rights to buy a Medigap policy may vary by state. You always have a legal right to keep the Medigap policy after you join a Medicare Advantage Plan. However, because you have a Medicare Advantage Plan, the Medigap policy would no longer provide benefits that supplement Medicare.

Underlined words are defined on pages 103 – 107

## 72 — Section 5: For People Who Already Have a Medigap Policy

### Losing Medigap coverage

#### Can my Medigap insurance company drop me?

If you bought your Medigap policy **after 1992**, in most cases the Medigap insurance company can't drop you because the Medigap policy is guaranteed renewable. This means your insurance company can't drop you unless one of the following happens:

- You stop paying your premium.
- You weren't truthful on the Medigap policy application.
- The insurance company becomes bankrupt or insolvent.

However, if you bought your Medigap policy **before 1992**, it might not be guaranteed renewable. This means the Medigap insurance company can refuse to renew the Medigap policy, as long as it gets the state's approval to cancel your Medigap policy. However, if this does happen, you have the right to buy another Medigap policy. See the guaranteed issue right, on page 44.

Underlined words are defined on pages 103 – 107

## 73 — Section 5: For People Who Already Have a Medigap Policy

### Medigap policies and Medicare prescription drug coverage

If you bought a Medigap policy **before** January 1, 2006 and it has coverage for prescription drugs, see below and page 20.

Medicare offers prescription drug coverage (Part D) for everyone with Medicare. If you have a Medigap policy with prescription drug coverage, that means you chose not to join a Medicare Prescription Drug Plan when you were first eligible. However, you can still join a Medicare Prescription Drug Plan. Your situation may have changed in ways that make a Medicare Prescription Drug Plan fit your needs better than the prescription drug coverage in your Medigap policy. It's a good idea to review your coverage each fall, because you can join a Medicare Prescription Drug Plan between October 15 — December 7. Your new coverage will begin on January 1.

● End of Page

Underlined words are defined on pages 103 – 107

## 74 — Section 5: For People Who Already Have a Medigap Policy

### Medigap policies and Medicare prescription drug coverage (continued)

### Why would I change my mind and join a Medicare Prescription Drug Plan?

In a Medicare Prescription Drug Plan, you may have to pay a monthly premium, but Medicare pays a large part of the cost. There's no maximum yearly amount as with Medigap prescription drug benefits in old Plans H, I and J (these plans are no longer sold). However, a Medicare Prescription Drug Plan might only cover certain prescription drugs (on its "formulary" or "drug list"). It's important that you check whether your current prescription drugs are on the Medicare Prescription Drug Plan's list of covered prescription drugs before you join.

If your Medigap premium or your prescription drug needs were very low when you had your first chance to join a Medicare Prescription Drug Plan, your Medigap prescription drug coverage may have met your needs. However, if your Medigap premium or the amount of prescription drugs you use has increased recently, a Medicare Prescription Drug Plan might now be a better choice for you.

**Underlined words are defined on pages 103 – 107**

## 75 — Section 5: For People Who Already Have a Medigap Policy

### Medigap policies and Medicare prescription drug coverage (continued)

#### Will I have to pay a late enrollment penalty if I join a Medicare Prescription Drug Plan now?

This will depend on whether your Medigap policy includes “creditable prescription drug coverage.” This means that the Medigap policy’s drug coverage pays, on average, at least as much as Medicare’s standard prescription drug coverage.

If it **isn’t** creditable coverage, and you join a Medicare Prescription Drug Plan now, you’ll probably pay a higher premium (a penalty added to your monthly premium) than if you had joined when you were first eligible. You should also consider that your prescription drug needs could increase as you get older. Each month that you wait to join a Medicare Prescription Drug Plan will make your late enrollment penalty higher. Your Medigap carrier must send you a notice every year telling you if the prescription drug coverage in your Medigap policy is creditable. You should keep these notices in case you decide later to join a Medicare Prescription Drug Plan.

**Underlined words are defined on pages 103 – 107**

## 76 — Section 5: For People Who Already Have a Medigap Policy

### Medigap policies and Medicare prescription drug coverage (continued)

### Will I have to pay a late enrollment penalty if I join a Medicare Prescription Drug Plan now? (continued)

If your Medigap policy includes creditable coverage and if you decide to join a Medicare Prescription Drug Plan, you won't have to pay a late enrollment penalty as long as you don't drop your Medigap policy **before** you join the Medicare Prescription Drug Plan. You can only join a Medicare Prescription Drug Plan between October 15 — December 7 unless you lose your Medigap policy (for example, if it isn't guaranteed renewable, and your company cancels it). In that case, you may be able to join a Medicare Prescription Drug Plan at the time you lose your Medigap policy.

● End of Page

Underlined words are defined on pages 103 – 107

## 77 — Section 5: For People Who Already Have a Medigap Policy

### Medigap policies and Medicare prescription drug coverage (continued)

#### Can I join a Medicare Prescription Drug Plan and have a Medigap policy with prescription drug coverage?

No. If your Medigap policy covers prescription drugs, you must tell your Medigap insurance company if you join a Medicare Prescription Drug Plan so it can remove the prescription drug coverage from your Medigap policy and adjust your premium. Once the drug coverage is removed, you can't get that coverage back even though you didn't change Medigap policies.

#### What if I decide to drop my entire Medigap policy (not just the Medigap prescription drug coverage) and join a Medicare Advantage Plan that offers prescription drug coverage?

You need to be careful about the timing because you can only join a Medicare Prescription Drug Plan or Medicare Advantage Plan during the open enrollment period between October 15 — December 7. Your coverage will begin on January 1 as long as the plan gets your enrollment request by December 7.

**Underlined words are defined on pages 103 – 107**





## SECTION 6: MEDIGAP POLICIES FOR PEOPLE WITH A DISABILITY OR ESRD

### Information for people under 65

#### Medigap policies for people under 65 and eligible for Medicare because of a disability or End-Stage Renal Disease (ESRD)

You may have Medicare before 65 due to a disability or ESRD (permanent kidney failure requiring dialysis or a kidney transplant).

If you're a person with Medicare under 65 and have a disability or ESRD, you might not be able to buy the Medigap policy you want, or any Medigap policy, until you turn 65. Federal law doesn't require insurance companies to sell Medigap policies to people under 65. However, some states require Medigap insurance companies to sell you a Medigap policy, even if you're under 65. These states are listed on the next page.

**Important:** These are the minimum Federal standards. For your state requirements, call your State Health Insurance Assistance Program. See pages 97 – 101.

**Underlined words are defined on pages 103 – 107**

## 80 — Section 6: Medigap policies for people with a Disability or ESRD

### Medigap policies for people under 65 and eligible for Medicare because of a disability or End-Stage Renal Disease (ESRD) (continued)

At the time of printing this guide, the following states required insurance companies to offer at least one kind of Medigap policy to people with Medicare under 65:

- California\*
- Colorado
- Connecticut
- Delaware\*\*
- Florida
- Georgia
- Hawaii
- Illinois
- Kansas
- Louisiana
- Maine
- Maryland
- Massachusetts\*
- Michigan
- Minnesota
- Mississippi
- Missouri
- New Hampshire
- New Jersey
- New York
- North Carolina
- Oklahoma
- Oregon
- Pennsylvania
- South Dakota
- Tennessee
- Texas
- Vermont\*
- Wisconsin

## 81 — Section 6: Medigap policies for people with a Disability or ESRD

### Medigap policies for people under 65 and eligible for Medicare because of a disability or End-Stage Renal Disease (ESRD) (continued)

\* A Medigap policy isn't available to people with ESRD under 65.

\*\* A Medigap policy is only available to people with ESRD.

Even if your state isn't listed on the page before, some insurance companies may voluntarily sell Medigap policies to people under 65, although they will probably cost you more than Medigap policies sold to people over 65, and they can use medical underwriting. Check with your state about what 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 the 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.

**Underlined words are defined on pages 103 – 107**

## 82 — Section 6: Medigap policies for people with a Disability or ESRD

### Medigap policies for people under 65 and eligible for Medicare because of a disability or End-Stage Renal Disease (ESRD) (continued)

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 may not have a pre-existing condition waiting period. For more information about the Medigap open enrollment period and pre-existing conditions, see pages 21 – 25. If you have questions, call your State Health Insurance Assistance Program. See pages 97 – 101

● End of Page

Underlined words are defined on pages 103 – 107



**SECTION 7: MEDIGAP COVERAGE IN  
MASSACHUSETTS, MINNESOTA, AND  
WISCONSIN**

Massachusetts benefits \_\_\_ Pages 84 – 86

Minnesota benefits \_\_\_ Pages 87 – 90

Wisconsin benefits \_\_\_ Pages 91 – 93

● **End of Page**

## 84 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Massachusetts — Chart of standardized Medigap policies

#### Massachusetts benefits

- **Inpatient Hospital Care:** Covers the Medicare Part A coinsurance plus coverage for 365 additional days after Medicare coverage ends
- **Medical Costs:** Covers the Medicare Part B coinsurance (generally 20% of the Medicare-approved amount)
- **Blood:** Covers the first 3 pints of blood each year
- Part A Hospice coinsurance or copayment

**Note:** The check marks in the chart on the next page mean the benefit is covered.

- **End of Page**

Underlined words are defined on pages 103 – 107

## 85 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Massachusetts — Chart of standardized Medigap policies (continued)

Medigap Benefits	Core Plan	Supplement 1 Plan
Basic Benefits	✓	✓
Medicare Part A: Inpatient Hospital <u>Deductible</u>		✓
Medicare Part A: Skilled Nursing Facility Coinsurance		✓
Medicare Part B: Deductible		✓
Foreign Travel Emergency		✓
Inpatient Days in Mental Health Hospitals	60 days per calendar year	120 days per benefit year
State-Mandated Benefits (Annual Pap tests and mammograms. Check your plan for other state-mandated benefits.)	✓	✓

**Underlined words are defined on pages 103 – 107**

## 86 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Massachusetts — Chart of standardized Medigap policies (continued)

For more information on these Medigap policies, visit [www.medicare.gov/medigap](http://www.medicare.gov/medigap), or call your State Insurance Department. See pages 97 – 101.

● End of Page

Underlined words are defined on pages 103 – 107

## 87 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Minnesota — Chart of standardized Medigap policies

#### Minnesota benefits

- **Inpatient Hospital Care:** Covers the Medicare Part A coinsurance
- **Medical Costs:** Covers the Medicare Part B coinsurance (generally 20% of the Medicare-approved amount)
- **Blood:** Covers the first 3 pints of blood each year
- Part A hospice and respite cost sharing
- Parts A and B home health services and supplies cost sharing

**Note:** The check marks in the chart on the next page mean the benefit is covered.

Underlined words are defined on pages 103 – 107

## 88 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Minnesota — Chart of standardized Medigap policies (continued)

Medigap Benefits	Basic Plan	Extended Basic Plan
Basic Benefits	✓	✓
Medicare Part A: <u>Inpatient Hospital Deductible</u>		✓
Medicare Part A: Skilled Nursing Facility (SNF) Coinsurance	✓ (Provides 100 days of SNF care)	✓ (Provides 120 days of SNF care)
Medicare Part B: <u>Deductible</u>		✓
Foreign Travel Emergency	80%	80%*
Outpatient Mental Health	50%	50%
Usual and Customary Fees		80%*

\*Pays 100% after you spend \$1,000 in out-of-pocket costs for a calendar year.

**Underlined words are defined on pages 103 – 107**

## 89 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Minnesota — Chart of standardized Medigap policies (continued)

<b>Medigap Benefits</b>	<b>Basic Plan</b>	<b>Extended Basic Plan</b>
Medicare-covered Preventive Care	✓	✓
Physical Therapy	20%	20%
Coverage while in a Foreign Country		80%*
State-mandated Benefits (Diabetic equipment and supplies, routine cancer screening, reconstructive surgery, and immunizations)	✓	✓

\*Pays 100% after you spend \$1,000 in out-of-pocket costs for a calendar year.

## 90 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Minnesota — Chart of standardized Medigap policies (continued)

**Mandatory Riders:** Insurance companies can offer four additional riders that can be added to a Basic Plan. You may choose any one or all of the following riders to design a Medigap policy that meets your needs:

- Medicare Part A: Inpatient Hospital Deductible
- Medicare Part B: Deductible
- Usual and Customary Fees
- Non-Medicare Preventive Care

**Minnesota version of Medigap Plans K, L, M, N, and high deductible F are available.**

**Important:** The Basic and Extended Basic benefits are available when you enroll in Part B, regardless of age or health problems. If you return to work and drop Part B to elect your employer's health plan, you will get another 6-month Medigap open enrollment period after you retire from that employer when you can elect Part B again.

**Underlined words are defined on pages 103 – 107**

## 91 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Wisconsin — Chart of standardized Medigap policies

#### Wisconsin Basic benefits

- **Inpatient Hospital Care:** Covers the Part A coinsurance
- **Medical Costs:** Covers the Part B coinsurance (generally 20% of the Medicare-approved amount)
- **Blood:** Covers the first 3 pints of blood each year
- Part A Hospice coinsurance or copayment

**Note:** The check marks in the chart on the next page mean the benefit is covered.

- **End of Page**

Underlined words are defined on pages 103 – 107

## 92 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Wisconsin — Chart of standardized Medigap policies

Medigap Benefits	Basic Plan
Basic Benefits	✓
Medicare Part A: Skilled Nursing Facility Coinsurance	✓
Inpatient Mental Health Coverage	175 days per lifetime in addition to Medicare's benefit
Home Health Care	40 visits in addition to those paid by Medicare
State Mandated Benefits	✓

### Optional Riders

Insurance companies are allowed to offer the following additional riders to a Medigap policy.

- Part A Deductible
- Additional Home Health Care (365 visits including those paid by Medicare)
- Part B Deductible
- Part B Excess Charges
- Foreign Travel Emergency
- 50% Part A Deductible
- Part B Copayment or Coinsurance

## 93 — Section 7: Medigap Coverage in Massachusetts, Minnesota, and Wisconsin

### Wisconsin — Chart of standardized Medigap policies (continued)

For more information on these Medigap policies, visit [www.medicare.gov/medigap](http://www.medicare.gov/medigap), or call your State Insurance Department. See pages 97 – 101.

Plans known as “50% and 25% Cost-sharing Plans” are available. These plans are similar to standardized Plans K (50%) and L (25%). A high deductible plan (\$2,070 in 2012) is also available.

● End of Page

Underlined words are defined on pages 103 – 107



**SECTION 8: FOR MORE INFORMATION****Where to get more information**

On pages 97 – 101, you will find telephone numbers for your State Health Insurance Assistance Program and State Insurance Department.

- Call your State Health Insurance Assistance Program for help with any of the following:
  - Buying a Medigap policy or long-term care insurance
  - Dealing with payment denials or appeals
  - Medicare rights and protections
  - Choosing a Medicare plan
  - Deciding whether to suspend your Medigap policy
  - Questions about Medicare bills
- Call your State Insurance Department if you have questions about the Medigap policies sold in your area or any insurance-related problems.

**Underlined words are defined on pages 103 – 107**

### How to get help with Medicare and Medigap questions

If you have questions about Medicare, Medigap, or need updated telephone numbers for the contacts listed on pages 97 – 101, you can do the following:

#### **Visit [www.medicare.gov](http://www.medicare.gov):**

- For Medigap policies in your area, visit [www.medicare.gov/medigap](http://www.medicare.gov/medigap)
- For updated telephone numbers, visit [www.medicare.gov/contacts](http://www.medicare.gov/contacts)

#### **Call 1 800 633 - 4227:**

- Customer service representatives are available 24 hours a day, 7 days a week. TTY users should call 1 877 486 - 2048. If you need help in a language other than English or Spanish, let the customer service representative know the language.

- **End of Page**

## 97 — Section 8: For More Information

### Telephone Numbers for State Health Insurance Assistance Programs (SHIPS) and State Insurance Departments - States A through G

<b>State</b>	<b><u>State Health Insurance Assistance Program</u></b>	<b><u>State Insurance Department</u></b>
Alabama	1 800 243 - 5463	1 800 433 - 3966
Alaska	1 800 478 - 6065	1 800 467 - 8725
American Samoa	Not Available	1 684 633 - 4116
Arizona	1 800 432 - 4040	1 800 325 - 2548
Arkansas	1 800 224 - 6330	1 800 224 - 6330
California	1 800 434 - 0222	1 800 927 - 4357
Colorado	1 888 696 - 7213	1 800 930 - 3745
Connecticut	1 800 994 - 9422	1 800 203 - 3447
Delaware	1 800 336 - 9500	1 800 282 - 8611
Florida	1 800 963 - 5337	1 877 693 - 5236
Georgia	1 800 669 - 8387	1 800 656 - 2298
Guam	1 671 735 - 7388	1 671 635 - 1835

**Underlined words are defined on pages 103 – 107**

## 98 — Section 8: For More Information

### Telephone Numbers for State Health Insurance Assistance Programs (SHIPS) and State Insurance Departments - States H through M

<b>State</b>	<b><u>State Health Insurance Assistance Program</u></b>	<b><u>State Insurance Department</u></b>
Hawaii	1 888 875 - 9229	1 808 586 - 2790
Idaho	1 800 247 - 4422	1 800 721 - 3272
Illinois	1 800 548 - 9034	1 866 445 - 5364
Indiana	1 800 452 - 4800	1 800 622 - 4461
Iowa	1 800 351 - 4664	1 877 955 - 1212
Kansas	1 800 860 - 5260	1 800 432 - 2484
Kentucky	1 877 293 - 7447	1 800 595 - 6053
Louisiana	1 800 259 - 5301	1 800 259 - 5300
Maine	1 877 353 - 3771	1 800 300 - 5000
Maryland	1 800 243 - 3425	1 800 492 - 6116
Massachusetts	1 800 243 - 4636	1 617 521 - 7794
Michigan	1 800 803 - 7174	1 877 999 - 6442
Minnesota	1 800 333 - 2433	1 800 657 - 3602

**Underlined words are defined on pages 103 – 107**

## 99 — Section 8: For More Information

### Telephone Numbers for State Health Insurance Assistance Programs (SHIPS) and State Insurance Departments - States M (continued) through N

<b>State</b>	<b><u>State Health Insurance Assistance Program</u></b>	<b><u>State Insurance Department</u></b>
Mississippi	1 800 948 - 3090	1 800 562 - 2957
Missouri	1 800 390 - 3330	1 800 726 - 7390
Montana	1 800 551 - 3191	1 800 332 - 6148
Nebraska	1 800 234 - 7119	1 800 234 - 7119
Nevada	1 800 307 - 4444	1 800 992 - 0900
New Hampshire	1 866 634 - 9412	1 800 852 - 3416
New Jersey	1 800 792 - 8820	1 800 446 - 7467
New Mexico	1 800 432 - 2080	1 800 947 - 4722
New York	1 800 701 - 0501	1 800 342 - 3736
North Carolina	1 800 443 - 9354	1 800 546 - 5664
North Dakota	1 800 247 - 0560	1 800 247 - 0560
Northern Mariana Islands	Not Available	1 670 664 - 3064

**Underlined words are defined on pages 103 – 107**

## 100 – Section 8: For More Information

### Telephone Numbers for State Health Insurance Assistance Programs (SHIPS) and State Insurance Departments - States O through U

<b>State</b>	<b><u>State Health Insurance Assistance Program</u></b>	<b><u>State Insurance Department</u></b>
Ohio	1 800 686 - 1578	1 800 686 - 1526
Oklahoma	1 800 763 - 2828	1 800 522 - 0071
Oregon	1 800 722 - 4134	1 888 877 - 4894
Pennsylvania	1 800 783 - 7067	1 877 881 - 6388
Puerto Rico	1 877 725 - 4300	1 888 722 - 8686
Rhode Island	1 401 462 - 4444	1 401 462 - 9520
South Carolina	1 800 868 - 9095	1 803 737 - 6160
South Dakota	1 800 536 - 8197	1 800 310 - 6560
Tennessee	1 877 801 - 0044	1 800 342 - 4029
Texas	1 800 252 - 9240	1 800 252 - 3439
Utah	1 877 424 - 4640	1 866 439 - 3805

**Underlined words are defined on pages 103 – 107**

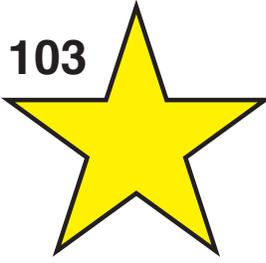
## 101 – Section 8: For More Information

### Telephone Numbers for State Health Insurance Assistance Programs (SHIPS) and State Insurance Departments - States V through W

<b>State</b>	<b><u>State Health Insurance Assistance Program</u></b>	<b><u>State Insurance Department</u></b>
Vermont	1 800 642 - 5119	1 800 631 - 7788
Virgin Islands	1 340 772 - 7368	1 340 774 - 7166
	1 340 714 - 4354 (St.Thomas)	
Virginia	1 800 552 - 3402	1 877 310 - 6560
Washington	1 800 562 - 6900	1 800 562 - 6900
Washington D.C.	1 202 994 - 6272	1 202 727 - 8000
West Virginia	1 877 987 - 4463	1 888 879 - 9842
Wisconsin	1 800 242 - 1060	1 800 236 - 8517
Wyoming	1 800 856 - 4398	1 800 438 - 5768

**Underlined words are defined on pages 103 – 107**



**SECTION 9: DEFINITIONS****Where underlined words are defined****Letters A through D**

**Assignment** — An agreement by your doctor or other supplier to be paid directly by Medicare, to accept the payment amount Medicare approves for the service, and not to bill you for any more than the Medicare deductible and coinsurance.

**Coinsurance** — An amount you may be required to pay as your share of the costs for services after you pay any deductibles. Coinsurance is usually a percentage (for example, 20%).

**Copayment** — An amount you may be required to pay as your share of the cost for a medical service or supply, like a doctor's visit, hospital outpatient stay, or a prescription. A copayment is usually a set amount, rather than a percentage. For example, you might pay \$10 or \$20 for a doctor's visit or prescription.

**Deductible** — The amount you must pay for health care or prescriptions, before Original Medicare, your prescription drug plan, or your other insurance begins to pay.

## 104 — Section 9: Definitions

### Letters E through M

**Excess Charge** — If you have Original Medicare, and the amount a doctor or other health care provider is legally permitted to charge is higher than the Medicare-approved amount, the difference is called the excess charge.

**Guaranteed Issue Rights (also called “Medigap Protections”)** — 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 Medigap policy, or place conditions on a Medigap policy, such as exclusions for pre-existing conditions, and can’t charge you more for a Medigap policy because of a past or present health problem.

**Guaranteed Renewable Policy** — A Medigap 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.

**Medicaid** — A joint Federal and state program that helps with medical costs for some people with limited income and resources. Medicaid programs vary from state to state, but most health care costs are covered if you qualify for both Medicare and Medicaid.

## 105 — Section 9: Definitions

### Letter M (continued)

**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.

**Medicare Advantage Plan (Part C)** — A type of Medicare health plan offered by a private company that contracts with Medicare to provide you with all your Medicare Part A and Part B benefits. Medicare Advantage Plans include Health Maintenance Organizations, Preferred Provider Organizations, Private Fee-for-Service Plans, Special Needs Plans, and Medicare Medical Savings Account Plans. If you are enrolled in a Medicare Advantage Plan, Medicare services are covered through the plan and aren't paid for under Original Medicare. Most Medicare Advantage Plans offer prescription drug coverage.

**Medicare-approved Amount** — In Original Medicare, this is the amount a doctor or supplier that accepts assignment can be paid. It may be less than the actual amount a doctor or supplier charges. Medicare pays part of this amount and you are responsible for the difference.

**Letters M (continued) through O**

**Medicare Prescription Drug Plan (Part D) —**

A stand-alone drug plan that adds prescription drug coverage to Original Medicare, some Medicare Cost Plans, some Medicare Private-Fee-for-Service Plans, and Medicare Medical Savings Account Plans. If you have a Medigap policy without prescription drug coverage, you can also add a Medicare Prescription Drug Plan. These plans are offered by insurance companies and other private companies approved by Medicare. Medicare Advantage Plans may also offer prescription drug coverage that follows the same rules as Medicare Prescription Drug Plans.

**Medicare SELECT** — A type of Medigap policy that may require you to use hospitals and, in some cases, doctors within its network to be eligible for full benefits.

**Open Enrollment Period (Medigap)** — A one-time-only, 6-month period when Federal law allows you to buy any Medigap policy you want that is sold in your state. It starts in the first month that you are covered under Medicare Part B, **and** you're 65 or older. During this period, you can't be denied a Medigap policy or charged more due to past or present health problems. Some states may have additional open enrollment rights under state law.

**Original Medicare** — Original Medicare is fee-for-service coverage under which the government pays your health care providers directly for your Part A and/or Part B benefits.

## 107 – Section 9: Definitions

### Letters P through S

**Pre-existing Condition** — A health problem you had before the date that a new insurance policy starts.

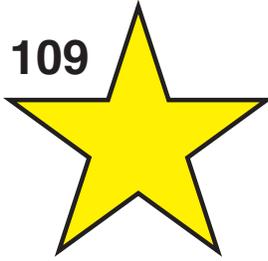
**Premium** — The periodic payment to Medicare, an insurance company, or a health care plan for health care or prescription drug coverage.

**State Health Insurance Assistance Program (SHIP)** — A state program that gets money from the Federal government to give free local health insurance counseling to people with Medicare.

**State Insurance Department** — A state agency that regulates insurance and can provide information about Medigap policies and other private health insurance.

● End of Page



**SECTION 10: LIST OF TOPICS****An alphabetical list of what's in this guide****A**

Attained-age-rated Policies 26 – 29, 55

**B**

Blood 14, 84, 87, 91

**C**

Changing (Switching) Medigap Policies 64 – 71

Claim Filing 32

COBRA (Consolidated Omnibus Budget Reconciliation Act) 38

Coinsurance 5, 11, 14 – 16, 22, 71, 84, 85, 87, 91

Comparing Cost 30

Copayment 5, 11, 14 – 16, 22, 71, 84, 91

Creditable Coverage 75, 76, 82

## 110 – Section 10: List of Topics

### D

Deductible 5, 11, 14 – 16, 31, 54, 71, 85, 88, 90

Disability 24, 79 – 82

### E

Employer Group Health Plan 38

End-Stage Renal Disease (ESRD) 6, 79 – 82

Excess Charges 15, 92

### F

Finding Reliable Insurance Companies 53

Foreign Travel Emergency 31, 85, 88, 92

### G

Guaranteed Issue Rights 23, 35 – 48, 64, 104

Guaranteed Renewable 20, 64, 72, 76, 104

## 111 – Section 10: List of Topics

### H

High-deductible Option 16, 31, 54, 90, 93

Hospice Care 6, 15, 84, 87, 91

### I

Illegal Insurance Practices 58

Inspector General's Office 59

Issue-age-rated Policies 26, 28, 55

### L

Long-term Care Insurance 17, 48, 97

### M

Medicaid 5, 17, 18, 48, 58, 104

Medical Savings Account Plan 106

Medical Underwriting 21, 24, 26, 31, 54, 81, 105

Medicare Advantage Plan 5, 7, 8, 11, 17 – 19, 36 – 37, 41 – 42, 45, 58 – 59, 71, 77, 105

## 112 – Section 10: List of Topics

### **M (continued)**

Medicare-approved Amount 87, 91, 105

Medicare Cost Plan 106

Medicare Part A (Hospital Insurance) 6, 8, 13 – 15, 41, 84 – 85, 88, 90, 92

Medicare Part B (Medical Insurance) 6, 13 – 14, 21, 25, 32 – 33, 81, 84 – 85, 87 – 88, 90

Medicare Prescription Drug Plan 5, 7, 8, 17, 20, 73 – 78, 106

Medicare SELECT 12, 31, 32, 40, 42, 48, 54, 69 - 70, 106

Medicare Supplement Insurance (see Medigap)

Medigap

Best Time To Buy 21 – 24

Claim Filing 32

Steps To Buying 49 – 62

Under 65 79 – 82

What It Is 11 – 12

What's Covered and What's Not Covered 13 – 17

## 113 – Section 10: List of Topics

### **M (continued)**

#### Medigap Benefits Chart

Plans A through N 13 – 16

Massachusetts 84 – 86

Minnesota 87 – 90

Wisconsin 91 – 93

#### Medigap Policies and Medicare Prescription Drug Coverage 73 – 77

Medigap Protections (Guaranteed Issue Rights) 46, 60, 64, 104

Moving 69 – 70

### **N**

No-age-rated Policies 26 – 27

### **O**

Open Enrollment Period (Medigap) 21 – 25, 31, 35, 53 – 54, 60, 64, 69, 73, 81, 90, 106

Original Medicare 5 – 8, 11, 22, 37 – 38, 40, 41, 49, 59, 69, 106

## 114 – Section 10: List of Topics

### P

PACE (Programs of All-Inclusive Care for the Elderly) 41, 48

Pre-existing Condition 21 – 24, 35, 55, 66 – 67, 82, 107

Premium 19, 20, 26 – 31, 56, 62, 64, 68, 71, 72, 74, 75, 77, 81, 107

Prescription Drug Coverage (Medicare) 5, 7, 9, 16, 20, 73 – 77

Preventive Care 6, 89

Pricing Policies 26 – 29

### R

Right to Buy a Medigap Policy 35 – 47

### S

Skilled Nursing Facility (Care) 6, 15, 85, 88, 92

State Health Insurance Assistance Program 23, 49, 50, 52, 95, 97 – 101, 107

State Insurance Department 13, 50, 52, 59, 97 – 101, 107

Switching Medigap Policies 64 – 71

## 115 – Section 10: List of Topics

### T

TRICARE 5, 17

### U

Union Coverage 38

### V

Veterans' Benefits 17

### W

Waiting Period 22 – 23, 55, 67, 82, 105

[www.medicare.gov](http://www.medicare.gov) 30, 51, 86, 93, 96

● End of Page



## **Important Information about this guide**

The information, phone numbers, and web addresses in this guide were correct at the time of printing. Changes may occur after printing. To get the most up-to-date information and Medicare phone numbers, visit [www.medicare.gov](http://www.medicare.gov), or call 1 800 633 - 4227. TTY users should call 1 877 486 - 2048.

The “2012 Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare” isn’t a legal document. Official Medicare Program legal guidance is contained in the relevant statutes, regulations, and rulings.

**U.S. DEPARTMENT OF  
HEALTH AND HUMAN SERVICES**

**Centers for Medicare & Medicaid Services**

7500 Security Boulevard  
Baltimore, Maryland 21244 - 1850

---

Official Business  
Penalty for Private Use, \$300

CMS Publication No. 02110 - LE  
Revised December 2011

To get this publication on CD, in Braille, or Spanish, visit [www.medicare.gov](http://www.medicare.gov) on the web, or call 1 800 633 - 4227. TTY users should call 1 877 486 - 2048.

¿Necesita una copia en español? Visite [www.medicare.gov](http://www.medicare.gov) en el sitio Web. Para saber si esta publicación está impresa y disponible (en español), llame GRATIS al 1 800 633 - 4227. Los usuarios de TTY deben llamar al 1 877 486 - 2048.

