



*Helping Older Persons With
Legal & Long-Term Care
Problems*

Medicare Supplement Insurance

1. What Is Medicare Supplement Insurance?

Medicare Supplement Insurance, also known as “MedSupp” or “MediGap” is designed to help pay medical costs not covered by traditional Medicare, such as deductibles and co-pays.

Federal laws have standardized all MedSupp insurance to only 10 plans. After June 1, 2010 all insurance companies that sell MedSupp plans label them A through N. If you purchased a MedSupp plan A-J prior to June 1, 2010, you may keep this plan and its benefits.

Each labeled plan is identical, no matter which company sells it. All companies must sell Plan A, and have the option to sell any other plan from B through N. After June 1, 2010 if a company sells plans K and L, they must also sell either plan C or plan F.

2. What Basic Benefits Does Plan A Cover?

Though it pays no deductibles, Plan A does cover all Part A and B coinsurance costs plus coverage for 365 additional hospital days after Medicare benefits end. Also included as a basic benefit is Hospice Part A coinsurance which includes costs associated with outpatient prescription drug and inpatient respite care coinsurance. In addition, the cost of the first three pints of blood both in and out of the hospital is covered.

3. What Benefits Are Provided By Plans B Through J?

Plans B - N all provide the basic benefit plan (Plan A) plus additional coverage. The additional benefits vary according to each plan. Extra benefits include:

- (a) payment of either Parts A or B deductibles;
- (b) co-payment costs for skilled nursing care (days 21-100);
- (c) preventive care, (annual limit \$120);
- (d) foreign travel emergency care; and
- (e) excess charges under Part B: 80% or 100% of the difference between Medicare-approved and doctor's limiting charge.

4. What Benefits Are Not Available In Any Of The Plans?

Benefits not available in any plan are

- (a) vision, dental care and hearing aids;
- (b) private duty nursing; and
- (c) skilled nursing care after 100 days.

5. How Are Standardized MedSupp Policies Different?

Once you decide which extra benefits you want or need and which plan (A through N) is right for you, then look to these factors to choose between companies:

- (a) the cost of monthly premiums (this can vary widely);
- (b) how well the company will service its plan; and
- (c) the period of time the plan excludes pre-existing medical conditions. By law the exclusion period cannot exceed 6 months.

6. What Is A Pre-Existing Condition?

A pre-existing condition is one for which a person has received medical advice, treatment or recommended treatment from a physician within 6 months from the effective start date of MedSupp coverage. A pre-existing condition may make you uninsurable if you fail to sign up for MedSupp coverage during an open enrollment period.

7. When Is My Open Enrollment Period?

The open enrollment period lasts for 6 months and begins the first day of the month in which you are at least 65 years old and enrolled in Medicare Part B. Once your 6 month MedSupp open enrollment period starts, it cannot be stopped or changed.

If you submit a MedSupp application during this period, a company cannot reject you because of your health or prior claims experience nor can they place conditions on a policy or charge you more because of your health problems. However, you may be subject to a "pre-existing condition waiting period." But if you had health coverage that qualifies as "creditable coverage," the company must shorten any pre-existing condition waiting period by the number of months that you had "creditable coverage" in the 6 months before you applied for MedSupp coverage.

8. What If I Missed My Open Enrollment Period?

The open enrollment period may be eliminated if you are over age 65 and have been enrolled in Medicare Part B more than 6 months. You may apply for a MedSupp policy, but you will be subject to medical underwriting and a pre-existing condition waiting period or exclusion. If you fail to meet the MedSupp policy health standards, the company does not have to insure you.

This same situation may arise if you drop your current MedSupp policy. There is no guarantee that you can get another policy except in very limited situations (see below). Also, if you are under age 65 and receive Medicare because you are disabled, you are not eligible for open enrollment and must meet a company's medical standards to purchase a MedSupp policy.

9. Can A MedSupp Policy Be Canceled?

No. All MedSupp policies are guaranteed renewable, no matter how many claims you file, but a company can cancel if you do not pay premiums or give false information of a material fact on your application.

If you want to switch policies, don't cancel your first MedSupp policy until the second one is in place and you have reviewed it and decided to keep it. You have 30 days to return the policy and receive a full refund.

10. What Are Guaranteed Issue Rights?

In some situations, you have the right to buy a MedSupp policy outside of your MedSupp open enrollment period without regard to your health status. For details see the [Guide to Medicare Supplement Insurance, Medicare Options and Part D](http://www.insurance.ohio.gov/Consumer/OCS/CompleteGuides/CompleteMedSuppGuide.pdf): <http://www.insurance.ohio.gov/Consumer/OCS/CompleteGuides/CompleteMedSuppGuide.pdf>, or call 1-800-686-1526 for a hard copy.

See also: <http://www.medicare.gov/Publications/Pubs/pdf/02110.pdf>.

11. Can My MedSupp Policy Premiums Be Raised?

Yes, but only with the approval of the Ohio Department of Insurance, and any raise will apply to all policies like yours.

12. What Should I Consider When Purchasing MedSupp Insurance?

Do not purchase more than one MedSupp policy. Remember, no MedSupp policy fills all gaps. To maximize your Medicare/MedSupp coverage and reduce out-of-pocket health care costs, use doctors who accept Medicare "assignment" and appeal unfavorable Medicare determinations. Check for pre-existing condition waiting periods and exclusions. Do not pay insurance premiums in cash. Make your check or money order payable to the insurance company, not to the agent. File your MedSupp claims in a timely manner.

13. What Is A Medicare-Select (MedSelect) Policy?

It is usually cheaper than other MedSupp policies because you must use facilities and physicians approved by the MedSelect company.

14. Who Does Not Need A MedSupp Policy?

You do not need a MedSupp policy if you are:

- (a) institutionalized or at home and on Medicaid;
- (b) eligible for the Qualified Medicare Beneficiary (QMB) program; or
- (c) you join a Medicare Advantage Plan.

These programs pay for all your medical care. To check your QMB eligibility, submit an application to your local County Department of Job and Family Services.

15. How Does Medicaid Or QMB Eligibility Affect My MedSupp Policy?

Your MedSupp policy will be suspended if you become eligible for either Medicaid or QMB but only if you notify your insurance company within 90 days from the Medicaid/QMB eligibility date. Premiums will be refunded for the period of eligibility.

If you lose eligibility for Medicaid/QMB, your MedSupp is automatically reinstated if you notify your insurance company within 90 days of Medicaid/QMB termination. When reinstated, there will be no waiting period and coverage must be equivalent to coverage you had on your suspension date. Premiums will continue from the date of Medicaid/QMB termination.

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Pro Seniors' Legal Hotline for Older Ohioans provides free legal information and advice by toll-free telephone to all residents of Ohio age 60 or older. If you have a concern that cannot be resolved over the phone, then the hotline will try to match you with an attorney who will handle your problem at a fee you can afford.

In southwest Ohio, Pro Seniors' staff attorneys and long-term care ombudsmen handle matters that private attorneys do not, such as nursing facility, adult care facility, home care, Medicare, Medicaid, Social Security, protective services, insurance and landlord/tenant problems.

This pamphlet provides general information and not legal advice. The law is complex and changes frequently. Before you apply this information to a particular situation, call Pro Seniors' free Legal Hotline or consult an attorney in elder law.

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