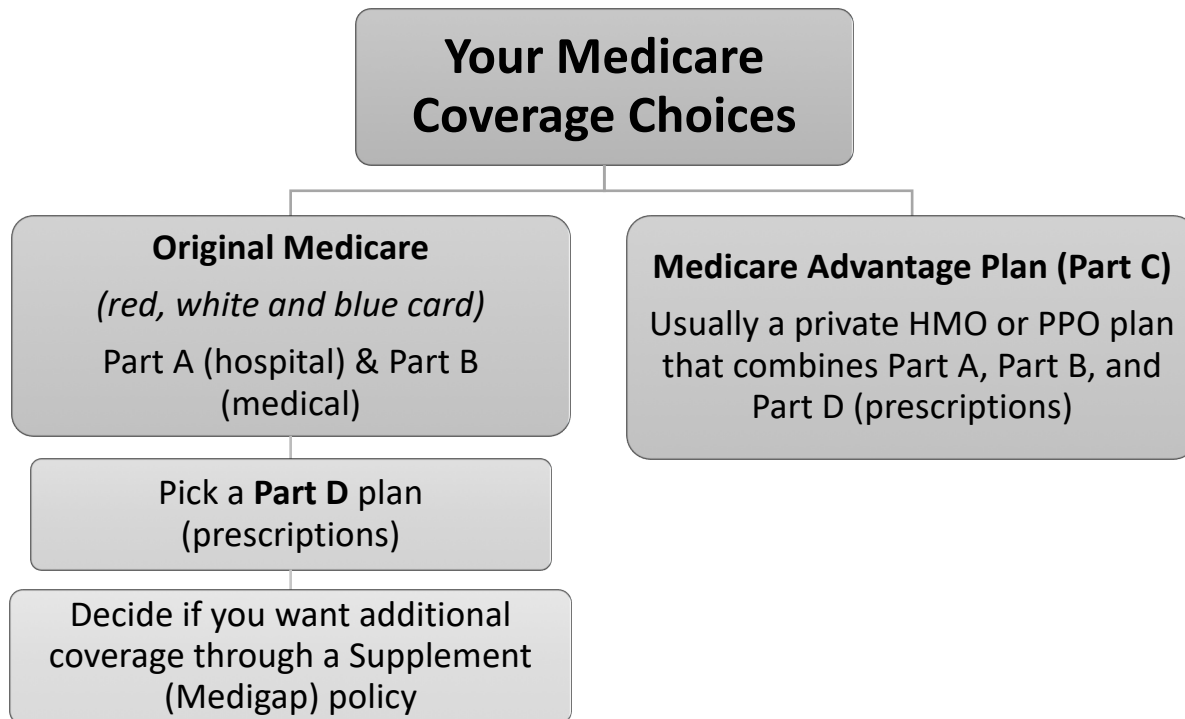




Medicare Advantage Plans & Supplement/Medigap Policies



Part C gives you the option to have private coverage for your Medicare benefits through Medicare Advantage plans, which are offered by private insurance companies that have a contract with Medicare. When you enroll in an Advantage plan, the insurer takes care of your Part A and Part B benefits, and typically Part D as well. Advantage plans may offer additional benefits, not covered by original Medicare, including some hearing, vision, and/or dental benefits. Rather than choosing an Advantage plan, **some beneficiaries instead choose to get a Medigap or Supplemental insurance policy** to help with their out-of-pocket costs.

Supplements vs. Advantage Plans

*There are pros and cons to each option and coverage choice is a personal decision! To enroll in either an Advantage Plan or a Supplement, you **must** have both Medicare Parts A & B.*

Supplements

- Supplements Original Medicare
- Same benefits across companies
- Generally no network limitations
- Medicare pays first, then supplement, and then you pay any remaining costs
- Only covers expenses covered by Medicare
- Tend to be more expensive
- Age and tobacco rating

Advantage Plans

- Replaces Original Medicare
- Benefits vary
- Generally has a network
- Plan pays, and then you pay remaining co-pays or co-insurances
- Can cover additional services, including vision, hearing and dental
- Tend to be less expensive
- No age or tobacco ratings

- May have medical underwriting
- No medical underwriting

Supplement/Medigap Insurance Policies

Supplement policies are organized and sold by Plan levels. This is helpful in comparing plans because a Plan F policy from one company is the same as a Plan F policy from another company. Some companies do not sell policies at all levels, but they must offer at least a Plan A policy. While Plan F policies tend to be the most expensive, Plan F policies also provide the most coverage.

| Benefits Included | Plan A | Plan B | Plan D | Plan G | Plan K | Plan L | Plan M | Plan N |
|-----------------------------|--------|--------|--------|--------|------------------|------------------|-------------|--------|
| Core benefits | ✓ | ✓ | ✓ | ✓ | ✓* | ✓* | ✓ | ✓* |
| Skilled nursing facility | | | ✓ | ✓ | ✓* (50%) | ✓* (75%) | ✓ | ✓ |
| Part A deductible | | ✓ | ✓ | ✓ | ✓* (50%) | ✓* (75%) | ✓* (50%) | ✓ |
| Part B deductible | | | | | | | | |
| Part B excess charge (100%) | | | | ✓ | | | | |
| Foreign travel | | | ✓ | ✓ | | | ✓ | ✓ |
| Out-of-pocket annual limit | | | | | \$5,560 in 2019* | \$2,780 in 2019* | | |

*2020 amounts not available.

The Supplement/Medigap Open Enrollment Period is a one-time six-month period when a Medicare beneficiary first enrolls in Medicare Part B. As long as you apply during this period, you cannot be turned down for coverage, regardless of health status, claims, or medical condition(s).

- **Policies must be sold guaranteed renewable.** They cannot be cancelled due to increasing age or change in health. They can, however, be cancelled due to late payment or false statements made on the initial application.
- If you are receiving Medicare due to disability, you will pay the highest premium allowed before age 65. **When you turn 65, you have a second open enrollment** opportunity to seek out and receive the same premium rate charged to people at age 65.

Trying Out Supplements and Advantage Plans

As a Medicare beneficiary, you have some trial options. When you first qualify for Medicare, due to turning 65, and join a Medicare Advantage plan, you have a trial period. You can drop that Advantage plan within the first 12 months and get a Medicare Supplement with guaranteed issue and with no pre-existing wait period. When you first purchase a Supplement policy, you have a free-look period of 30 days. During that time, you can cancel your policy and will be refunded your full premium.

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