

CHOOSING A MEDIGAP PLAN

What are Medigap plans and what do they cover?

- Medigap plans, also called Medicare Supplemental plans, help cover some of the costs of Medicare Parts A and B. Medicare generally pays 80% of Medicare covered services and you pay 20%. Medigap plans can help pay the 20% of Medicare covered services.
- Medigap plans are identified by letters A-D, F, G, K, L, and N. Medigap plans are standardized across the country. For example, Plan A offers the same coverage in Vermont as it does in all other states.
- The plans offer different coverage and have different out-of-pocket costs. All must cover certain basic benefits, including some part of hospitalization costs and medical costs, and cost sharing for Part A eligible hospice and respite care.
- Medigap plans do not work with Medicare Advantage plans, which are also called Medicare Part C. You cannot have both a Medigap and an Advantage plan.
- The Medicare website explains the differences between all the Medigap plans:
<https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies>

Who should consider buying a Medigap plan?

- If you are enrolled in Medicare Part A and/or Part B and you want help paying some of the health care costs that Medicare doesn't cover.
- You may not need a Medigap plan if you have other health insurance, for example, from a large group employer, as a military retiree, or employer retiree coverage.
- You do not need a Medigap plan if you are enrolled in Medicaid or the Medicare Savings Program called "QMB."

What if I cannot afford to buy a Medigap plan?

- Medicaid can cover some of Medicare's out of pocket costs. Medicaid has very low income and resource limits.
- The Medicare Savings Programs can help pay some of Medicare's costs, including Part B premiums and in some cases deductibles, copayments and coinsurance. The Medicare Savings Programs has low-income limits.
- Hospitals in Vermont offer financial assistance if your income and assets are below a certain threshold. You can contact hospital financial aid offices for more information.

Can I buy a Medigap plan any time?

- The best time to buy a plan is when you first enroll in Part B and within 6 months of enrolling in Part B, because you are guaranteed to be issued a policy without answering health questions.
- If you enroll in a plan during this period, an insurer cannot refuse to sell you a plan.

What if I don't enroll when I am first able to?

- If you did not enroll in a Medigap plan during your first 6 months of having Part B, you may be unable to buy a plan UNLESS you qualify for a Special Enrollment Period.
- You may have a Special Enrollment Period if:
 - you have an employer plan that provides health insurance that ends or stops providing some of the benefits
 - you lose your current Medigap or Medicare Advantage plan because the insurer loses its license or no longer sells plans in your area
- If you qualify for one of these Special Enrollment Periods, the insurer cannot refuse to sell you a plan or charge you more. In most situations, you must enroll in a Medigap plan within 63 days of a Special Enrollment Period beginning.

What if I am eligible for Medicare because I am disabled and not 65?

- In Vermont, if an insurance company sells Medigap plans to beneficiaries 65 and older, they must also offer the same policies to beneficiaries who are eligible for Medicare because they are disabled.
- If you did not enroll in a Medigap during your first 6 months of having Part B, you may be unable to buy a plan UNLESS you qualify for a Special Enrollment Period.
- If you qualify for a Special Enrollment Period, the insurer cannot refuse to sell you a plan or charge you more.
- Beneficiaries who are disabled and have a supplemental policy before they are 65 have another 6 month period once they turn 65 during which they can buy or change supplement plans and the insurer cannot refuse to sell them the plan of their choice.

What about pre-existing condition exclusions?

- The insurance company cannot exclude coverage of any preexisting conditions if you have had "creditable coverage" for at least 6 continuous months if you enroll during your Medigap Initial Enrollment Period (within the first 6 months of having Part B) or if you have a Special Enrollment Period (within 63 days of losing creditable coverage).
- If you enroll outside of the Initial Enrollment or a Special Enrollment Period and did not have creditable coverage for the 6 months prior to enrollment, insurance companies can exclude coverage of preexisting conditions-but not for more than 6 months.
- Creditable coverage includes employer group coverage, Medicare and Medicaid. It does not include accident or disability insurance, workers' compensation, coverage for a specific illness or disease or limited scope insurance like dental and vision.

Can the Medigap insurance company drop me?

Once you buy a Medigap plan the insurance plan must continue to renew it as long as you pay your premiums on time. It can only be canceled for non-payment.

Can I change plans?

- Yes, you can change plans. However, your options for plans may be more limited depending on when you change plans. If it has been more than 6 months since you enrolled in Part B, no insurer has to sell you a plan due to pre-existing health and medication qualifications.
- Do not cancel your current plan until you have enrolled in another plan and decided to keep it.

Where can I buy a policy?

You can buy a Medicare Supplement insurance policy from any insurance company or insurance agent that is licensed in and approved to sell these policies in Vermont. Insurers approved to sell policies in Vermont include:

- AFLAC (local agents): 802-793-1438 or 802-323-3484
- Blue Cross Blue Shield of VT (Blue 65 & TVHP) 1-800-255-4550
- Continental Life Insurance Co./Aetna: 1-800-358-8749
- Insurance Co of North America: 1-215-640-1000
- Lumos Insurance: 1-800-752-8328
- Medco/Cigna Health and Life Insurance: 1-866-459-4272
- Mutual of Omaha Insurance Company: 1-855-977-6312
- State Farm Insurance: (local agent) 802-479-3353
- United American: 1-800-331-2512 or local agent 802-793-1438
- United Healthcare (AARP): 1-800-523-5800
- USAA Life: 1-800-531-9982
- Washington National: 1-800-621-3724