



An Encore *Life* Seminar Series

What You Need To Know BEFORE You're 65

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The Goals

To Understand the BASICS of:

Medigap Insurance





Coverage Options

$$A + B + g + D = C$$

Option #1 ***Fee for Service***

- Part A
- Part B
- Medigap (Optional)
- Part D Drug Plan

Option #2 ***Managed Care***

- Part C
Exchange Part A and B
for a
Medicare Advantage Plan
with Drug Coverage



***Private Insurance
Not Part of Medicare***

Medigap Basics

***Formally Known As
Medicare Supplement Insurance***



Medigap Insurance

- Cover some **gaps** in Medicare A & B
 - Deductibles
 - Coinsurance or copays

- When to get it
 - Only works with Original Medicare
 - Must have Parts A & B to buy it
- When it's not needed
 - Not needed with Medicare Advantage
 - Generally not needed if retiree coverage

Medigap Policies

- Private insurance model
 - 12 standardized policies in most states
 - Plans A - L
 - Standard policy benefits government approved
- Although policies are standardized, premiums are not.

Important Note

Medigap policies to change effective June 1, 2010

2009 Medigap Plan Comparisons

Benefit	Plans A - J	Plan K	Plan L
Part A Coinsurance Days 61 – 90	100%	100%	100%
Part A Coinsurance Days 91 – 150	100%	100%	100%
365 Additional Hospital Days	100%	100%	100%
Blood Deductible	100%	50%	75%
Part B Deductible	Plans C, F, J: 100%	0%	0%
Part B Coinsurance	100%	50%	75%
Hospice Coinsurance	0%	50%	75%
SNF Coinsurance Days 21 - 100	Plans C - J: 100%	50%	75%
Part A Deductible	Plans B - J: 100%	50%	75%
Part B Excess Charges	Plans F, I, J: 100% Plan G: 80%	0%*	0%*

When to Purchase

- During Open Enrollment
 - Starts on first day of the month you are age 65 or older AND enrolled in Medicare Part B.
 - Lasts for 6 months.
- During Open Enrollment insurance companies can't:
 - Deny you coverage.
 - Make you wait for coverage to start.
 - Make you wait for coverage on a pre-existing condition.
 - Charge you more for a policy because of health problems.

Guaranteed Issue Rights With Employer Health Coverage

- Situation - employer group health coverage ends upon retirement.
- Must apply for a policy within 63 days from the day your employer group coverage ends.
- Insurance company
 - Must sell you a Medigap policy.
 - Must cover all pre-existing conditions.
 - Can't make you wait for coverage on a pre-existing condition.
 - Can't charge more because of past or present health problems.

Guaranteed Issue Rights with Medicare Advantage

- You move out of the plan's service area.
- Medicare Advantage coverage ended by provider.
- You joined a Medicare Advantage plan when first eligible and leave within 12 months.
- You dropped a Medigap policy and enrolled in a Medicare Advantage Plan for the first time, stayed less than a year and then switched back.
- Plan or insurance company committed fraud.

But Not If You Just Decide To Change After 12 Months



Congratulations

Now You've Got The Basics

Medigap Insurance



For More Information

- www.MEDICARE.gov
- *Medicare & You* handbook
- 1-800-MEDICARE (1-800-633-4227)
- State Health Insurance Assistance Programs (SHIPs)
 - State contact info at www.Medicare.gov
 - 1-800-434-0222 in CA
- Social Security Administration
 - 1-800-772-1213



Disclaimer

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***Official Medicare Provisions
Are Contained in The Relevant
Laws, Regulations, and Rulings.***

United We Serve

What You Need To Know Before You're 65

I have partnered with Woodruff Sawyer to bring this Encore Life Seminar Series on Medicare to you. It is my contribution to the Obama Administration's **United We Serve** initiative which is a call to all Americans to volunteer in their communities.

I hope you find this information of benefit. It is my pleasure to serve.

Esther Koch

Esther Koch is a gerontologist and eldercare advisor. Her firm, Encore Management at www.ENCOREmgmt.com, provides personal and corporate advisory services on aging and eldercare matters targeted to Boomers.

Esther is also a Medicare Aging Network Partner with the Administration on Aging and the Centers for Medicare and Medicaid, and was a delegate to the White House Conference on Aging. She speaks on a wide range of aging, retirement, and eldercare topics. Her media interviews and articles have appeared on television, radio, and in print.