

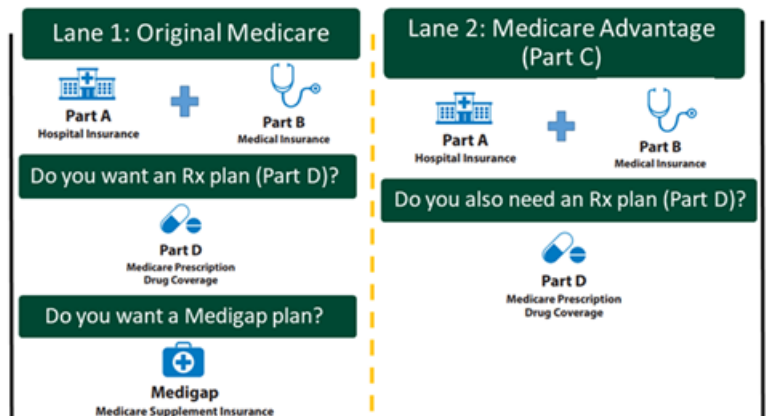


Health Insurance

Quick Guide to Medigap Plans

Medicare is a government-funded and run health insurance program. To be eligible for Medicare, you must: be 65+ years old; have collected SSDI more than 24 months; or have been diagnosed with end-stage renal disease (ESRD) or ALS. Medicare coverage is broken down into 4 parts:

- **Part A: Hospital Insurance.** Includes hospital care, skilled nursing facilities, nursing homes, hospice, & home health.
- **Part B: Medical Insurance.** Includes outpatient services, preventive care, labs, mental health care, ambulances, & durable medical equipment.
- **Part D: Prescription Drug Coverage.** You have different plans to choose from depending on where you live, with different premiums and formularies.



- **Part C: Advantage Plans.** Part C is an alternative to Parts A & B and includes the benefits and services covered under Parts A & B, and usually Part D. You can select a PPO or HMO plan that is run by a Medicare-approved private insurance company. If you buy a Part C plan, you are not eligible to buy a Medigap plan.

How do I qualify for Medigap?

Medigap plans are additional insurance you can purchase to help pay deductibles, co-payments, co-insurance amounts, and other expenses original Medicare does not cover. You can buy a Medigap policy from any licensed insurance company in your state. You will pay an additional monthly premium for a Medigap plan, in addition to premiums for other Medicare parts. Medigap plans are standardized, meaning every insurer offers plans lettered A-N (see the chart on the next page).

Note: Individuals who become eligible for Medicare after 1/1/2020, will no longer be able to purchase Medigap Plans F or C. Any individuals who already have Plans F or C will be able to keep those plans.

To qualify for a Medigap plan, you must be enrolled in Medicare Part A and B. Part A and B together are referred to as “Original Medicare.” For a more in-depth breakdown of Medicare Parts A and B, see our Quick Guide to Medicare – Extended (TriageHealth.org/quick-guides/medicareextended).

When Should I Buy a Medigap Plan?

You can buy a Medigap plan during your Medicare initial enrollment period (IEP), which automatically begins three months before the month you turn 65 and lasts 7 months. If you sign up for a Medigap plan during the IEP, you cannot be denied coverage. But if you wait to buy a plan outside of the IEP, you may face a pre-existing condition exclusion period of up to 6 months and/or the plan may cost more. Once you have a Medigap plan, it is automatically eligible for renewal, regardless of any health problems. Your Medigap plan can only be canceled if you fail to pay the premiums.

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If you are under 65, and have Medicare because of a disability, your state may not require insurance companies to sell you a Medigap plan. Visit [TriageCancer.org/StateLaws](https://www.triagecancer.org/statelaws) for more information.

Coverage	Plan A	Plan B	Plan C	Plan D	Plan F	Plan G	Plan K	Plan L	Plan M	Plan N
Medicare Part A Co-insurance & Hospital Costs (Up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B Co-insurance or Co-payments	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Blood First 3 Pints	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A Hospice Co-insurance or Co-payments	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled Nursing Facility Co-insurance	x	x	100%	100%	100%	100%	50%	75%	100%	100%
Medicare Part A Deductible	x	100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B Deductible	x	x	100%	x	100%	x	x	x	x	x
Medicare Part B Excess Charges	x	x	x	x	100%	100%	x	x	x	x
Foreign Travel Emergency (up to plan limits)	x	x	80%	80%	80%	80%	x	x	80%	80%
Out of Pocket Maximum							\$5,880	\$2,940		

The percentage shown is the amount the Medigap plan covers.

Example

Part B of Medicare has a 20% co-insurance amount. Most chemotherapies are covered under Medicare Part B, which can create high out-of-pocket costs. Buying a Medigap plan that covers Part B's 20% co-insurance can greatly reduce your out-of-pocket costs. These examples show how:

- Jimmy: Jimmy is nearly 65, lives in Chicago, and is about to begin 1 year of IV chemotherapy treatments, which will cost \$10,000 a month. What would be his out-of-pocket costs?
 - Option 1: Original Medicare
 - Part B monthly premium = \$174.70 per month x 12 = \$2,096.40
 - Part B deductible = \$240
 - Part B co-insurance (just for his chemo) = \$10,000 x 20% = \$2,000 x 12 months = \$24,000
 - **Total for Part B and chemo cost-share = \$26,336.40**
 - Option 2: Original Medicare + Medigap Plan G, which costs \$300/month based on his age and where he lives
 - Part B monthly premium = \$174.70 per month x 12 = \$2,096.40
 - Part B deductible = \$240
 - Part B co-insurance (just for his chemo) = \$0 (paid for by Medigap plan)
 - Medigap Plan G monthly premium = \$300 x 12 months = \$3,600
 - **Total for Part B and Medigap Plan G = \$5,936.40**
- Jimmy: Even if Jimmy did not sign up during his IEP and faces a 6-month pre-existing condition exclusion period for anything related to his cancer, a Medigap plan could still save him money:
 - Original Medicare + Medigap Plan G, with a 6-month exclusion period
 - Part B monthly premium = \$174.70 per month x 12 = \$2,096.40
 - Part B deductible = \$240
 - Part B co-insurance (just for first 6 months of chemo) = \$10,000 x 20% = \$2,000 x 6 months = \$12,000
 - Part B co-insurance (just for second 6 months of chemo) = \$0 (paid for by Medigap plan)
 - Medigap Plan G monthly premium = \$300 x 12 months = \$3,600
 - **Total for Part B and Medigap Plan G = \$17,936.40**

Differences by State

If you live in Massachusetts, Minnesota, or Wisconsin, Medigap policies are standardized in a different way. For more information visit [Medicare.gov](https://www.Medicare.gov).

Additional Resources

- Find a Medigap policy that works for you - [medicare.gov/find-a-plan/questions/medigap-home.aspx](https://www.medicare.gov/find-a-plan/questions/medigap-home.aspx)
- Medicare's guide to comparing Medigap plans - [medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies](https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies)
- Medicare's overall guide to Medigap plans - [medicare.gov/supplements-other-insurance/whats-medicare-supplement-insurance-medigap](https://www.medicare.gov/supplements-other-insurance/whats-medicare-supplement-insurance-medigap)

For more information, visit our Health Insurance ([TriageHealth.org/health-insurance](https://www.TriageHealth.org/health-insurance)) and Medicare ([TriageHealth.org/medicare](https://www.TriageHealth.org/medicare)) resource pages.

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