

Whether you are close to retirement or approaching your 65th birthday, enrolling in Medicare requires an understanding of the various coverage options available to beneficiaries. It is important to know your health insurance choices, as they will determine the type of benefits provided to you and the out-of-pocket costs of the care you receive.

The SHINE (Serving Health Insurance Needs of Elders) Program provides this fact sheet to help individuals with Medicare to understand supplement insurance coverage. It includes important steps to remember when deciding your future health care needs. If you should have any questions regarding this material and would like assistance, please contact a SHINE counselor by calling the *Elder Helpline* toll-free at 1-800-96-ELDER (1-800-963-5337).

Why Buy Supplement Insurance?

Original Medicare was designed to cover most medical expenses, but unfortunately there are gaps that exist. Medicare supplement insurance plans (Medigap) were created to help cover those gaps. Depending on which plan you select, you may receive additional benefits, such as the coverage of skilled nursing facility coinsurance costs, Part B excess charges, coinsurance for extra days in the hospital, and more.

Most Medigap insurance plans allow you the flexibility to visit any health care provider or facility that accepts Medicare. You are not limited to a specific network of providers or a certain geographic area.

Who Is Eligible for Medigap?

- Individuals who are 65 and over (or under 65 and disabled), and enrolled in both Medicare Part A (hospital) and Part B (medical).

Note: When your Part B first begins and regardless of your current health status, you will have a six-month open enrollment period to select any Medigap plan available in your area.

- If when first turning 65 you enrolled in a Medicare Advantage Plan and it has been less than a year, you may return to Original Medicare and select any Medigap policy available in your area.

There are other situations where an individual becomes eligible for Medigap insurance through what is called “guarantee issue.” You may call a SHINE counselor for more information regarding guarantee issue, or review the publication entitled “*Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare*” found on the Medicare website at www.medicare.gov.



1. Look at Your Health Care Costs. Review how much you spent out-of-pocket on health care costs last year, and calculate what your expenses may be for future health costs. Then ask, “Do any of my costs include the items below?” If so, they may be covered by a Medigap policy.

- ✓ Medicare Part A Deductible (\$0)
- ✓ Medicare Part A (hospital) Coinsurance
- ✓ Medicare Part B Deductible (\$183)
- ✓ Medicare Part B (medical) Coinsurance
- ✓ Blood costs
- ✓ Skilled Nursing Home Coinsurance
- ✓ Medicare Part B Excess Charges
- ✓ Foreign Travel Emergency
- ✓ Hospice Care Coinsurance

2. Compare Medigap Plans. With the help of a trained SHINE counselor, you may compare plans in your area based on your age, location, and smoker or non-smoker status. To review rates and companies on your own, visit the Office of Insurance Regulation website at:

<https://apps.fldfs.com/mcws/CWSSearch.aspx>.

Just click on your county of residence.



Make sure the companies you select are reliable and in good standing

3. Company Standing. Once you narrow down your choices, you should research the stability of the insurance companies.

- ✓ To research complaints or actions taken against a company, call the Office of Insurance Regulation (OIR) consumer helpline at 1-877-693-5236. OIR is part of the Florida Department of Financial Services.
- ✓ Your public library is a good source to review an insurance company's financial strength through rating service websites such as TheStreet.com, AMBest.com, and StandardandPoors.com.

4. Decide Which Type of Plan Is Best for You.

Medigap insurance companies offer a variety of plan and coverage options. Below is a chart showing the different plans and the benefits they provide. They range from the most basic (Plan A), to more comprehensive plans (Plans C and F), to a plan that also offers a high-deductible option (Plan F). Note that all policies of a particular plan type offer the exact same benefits. However, individual insurance companies may charge different rates.

5. Buy the Medigap Policy. Now you are prepared to apply for the policy you want. Please consider the following:

- ✓ Fill out the application carefully and completely. The answers you provide will determine your eligibility for open enrollment (when you first start Part B) or a guarantee issue situation.
- ✓ Ask for the policy to become effective when you want the coverage to start. Generally, policies begin the first of the month **after** you apply.
- ✓ Call your insurance company if you do not receive your policy within 30 days. If 60 days have passed, call the Office of Insurance Regulation at 1-877-693-5236.

NEED HELP? If you would like assistance with information on this publication, or help comparing plans, please call the *Elder Helpline* toll-free at **1-800-963-5337** and ask for a **SHINE counselor**.

The Florida **SHINE** Program provides free and unbiased health insurance counseling to the disabled, elders, and their respective family members or caregivers. For more information on health insurance issues, visit our website at www.floridashine.org.

Medigap Plans										
Benefits	Plans									
	A	B	C	D	F ¹	G	K ²	L ²	M	N
Part A – Coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used up	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part A – Hospice Care Coinsurance or Copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part A – Deductible		✓	✓	✓	✓	✓	50%	75%	50%	✓
Blood (First three pints)	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled Nursing Facility Care Coinsurance			✓	✓	✓	✓	50%	75%	✓	✓
Part B – Deductible			✓		✓					
Part B – Coinsurance or Copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓ ³
Part B – Excess Charges					✓	✓				
Foreign Travel Emergency (Up to Plan Limits)			80%	80%	80%	80%			80%	80%

¹ Plan F also offers a high-deductible plan. If you select the high deductible option, this means you must pay for Medicare covered costs up to the deductible amount of \$2,240 in 2018, before your Medigap plan pays anything.

² When you meet your out-of-pocket yearly limit (Plan K - \$5,240 and Plan L - \$2,620) and your annual Part B deductible (\$183 in 2018), the Medigap plan pays 100 percent of covered services for the rest of the calendar year.

³ Plan N pays 100 percent of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that do not result in an inpatient admission.