



# ODI

Ohio Department  
of Insurance

John R. Kasich, Governor

Mary Taylor, Lt. Governor/Director

## **Medicare Supplement Vs. Medicare Advantage**

# Medicare Supplement vs Medicare Advantage?

## Option 1

**Original Medicare**

Part A and Part B

+

**Secondary Insurance**

GHI, MedSup, or Medicaid

+

**Rx Coverage**

Part D or GHI

**OR**

## Option 2

**Medicare  
Advantage**

**(Part C)**

1. Hospitalization,
2. Medical
3. Rx (MA-PD)



# Gaps in Original Medicare Coverage

- Original Medicare doesn't cover everything
  - Original Medicare pays a share
  - You pay a share
- If you buy a Medigap policy
  - The policy pays all or part of your share
  - Coverage depends on Medigap plan you buy

# What is a Medigap policy? (continued)

- A Medigap policy may help you
  - Lower your out-of-pocket costs
  - Get more health insurance coverage
- Considerations include
  - Your other coverage and health needs
  - If your doctor accepts assignment

# What are Standardized Plans?

- Standardized plans in most states
  - Identified by a letter
  - Plans currently sold
    - A, B, C, D, F, G, K, L, M, N
    - Companies don't have to sell all plans
  - Plans existing but no longer sold
    - E, H, I, J
- Non-standardized plans (waiver states)
  - Massachusetts, Minnesota, Wisconsin

# Who Can Buy Medigap?

- Generally must have Medicare Parts A and B
- May not be able to buy Medigap under 65
  - People with a disability
  - People with End-Stage Renal Disease
- Guaranteed right to buy a Medigap policy
  - In your Medigap open enrollment period
  - Covered under a guaranteed issue right

# When to Buy a Medigap Policy

- May be able to buy a Medigap policy any time
- 6-month Medigap open enrollment period
  - Begins when you
    - Are both age 65 **and**
    - Enrolled in Part B
  - Can't be changed or repeated

# Buying a Medigap Policy Under Age 65

- People with Medicare under age 65
  - May not be able to buy Medigap
    - People with a disability
    - People with End-Stage Renal Disease
  - If available, may cost more
- New Medigap open enrollment period at age 65

# Open Enrollment Examples

- Mary is turning 65 in January. She plans to go on Part B at the same time. She would have January through June to get any Medicare Supplement plan with no health questions
- Fred is 70 but is still working, so he delayed Part B. He is retiring in July and picking up Part B then. He would have July through December to take advantage of his Medicare Supplement Open Enrollment period.



# Guaranteed Rights to Buy a MedSup Policy

- Called “guaranteed issue rights”
- Situations with special rights to buy MedSup
  - After MedSup open enrollment period
  - Companies must sell you a Medigap policy within 63 days of the date your coverage ends
  - Must cover all pre-existing conditions
  - Can’t charge more
- These are Federal protections

# Medicare Options

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# What are Medicare Advantage (MA) Plans?

- Health plan options approved by Medicare
- Run by private companies
- Part of the Medicare program
  - Sometimes called “Part C”
- Available in many areas of the country
- Provide Medicare-covered benefits
  - May cover extra benefits, e.g.; vision or dental



# Who Can Join?

- Eligibility requirements
  - Live in plan's service area
  - Entitled to Medicare Part A
  - Enrolled in Medicare Part B
  - Do not have End-Stage Renal Disease (ESRD) at enrollment
- To join an MA plan, a person must also
  - Agree to provide the necessary information to the plan
  - Agree to follow the plan's rules
  - Belong to only one Medicare Advantage plan at a time



# When to Join

- Open Enrollment **October 15<sup>th</sup>- December 7<sup>th</sup>**
  - Coverage begins January 1
  - Other enrollment times based on circumstances
- MA Annual Disenrollment Period
  - January 1<sup>st</sup> - February 14<sup>th</sup> (first 45 calendar days of the year)
  - May disenroll from a MA plan and return to Original Medicare and enroll in a stand alone prescription drug plan
- 5 Star rated plans (MA, MAPD or PDP) may allow an enrollment at anytime during the year



# How MA Plans Work

- You get Medicare-covered services through the plan
  - All Part A and Part B covered services
  - Some plans may provide additional benefits
- Most plans include prescription drug coverage
  - Part D
- You may have to go to network doctors or hospitals
- MA may be different than Original Medicare
  - Benefits and cost-sharing



# MA Costs

- Must still pay Part B premium
- May pay an additional monthly premium to plan
- You pay deductibles, coinsurance and copayments
  - Different from Original Medicare
  - Varies from plan to plan
  - Costs may be higher if you go out-of-network
  - Plans have Out of Pocket Maximums



# Switching

- Medigap to Medicare Advantage
  - Guaranteed Issue anytime enrollment is open
- Medigap to Medigap
  - Not guaranteed Issue
    - Unless in other GIO situation
- Medicare Advantage to Medicare Advantage
  - Guarantee Issue (Unless ESRD)
- Medicare Advantage to Medigap
  - Not Guaranteed Issue
  - Unless in other GIO situation
    - 12 month trial right
    - Plan terminating



# At a Glance

	Medicare Supplement	Medicare Advantage
Cost	<ul style="list-style-type: none"> <li>• Part B Premium (\$104.90)</li> <li>• Higher Plan Premium</li> <li>• \$150-\$200+ monthly</li> <li>• Little or no out of pocket cost when used</li> </ul>	<ul style="list-style-type: none"> <li>• Part B Premium (\$104.90)</li> <li>• Lower Plan Premium</li> <li>• \$0-\$100/month</li> <li>• Charged copays as plan is used</li> </ul>
Provider Choice	<ul style="list-style-type: none"> <li>• Any provider that accepts Medicare</li> </ul>	<ul style="list-style-type: none"> <li>• Plan will have a provider network</li> <li>• Cost will be higher if out of network</li> </ul>
Is this Right for Me?	<ul style="list-style-type: none"> <li>• Frequent traveler</li> <li>• Important to keep open doctor network</li> <li>• Use lots of health services</li> <li>• Can afford premiums</li> </ul>	<ul style="list-style-type: none"> <li>• Infrequent traveler</li> <li>• Comfortable with narrower provider choice</li> <li>• Fewer medical conditions and provider visits</li> <li>• Want to save on a premium</li> </ul>
Drug Coverage Included?	<ul style="list-style-type: none"> <li>• No</li> <li>• Need to purchase separate Part D Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• Some plans available without Drug Coverage</li> </ul>



# Know Your Options

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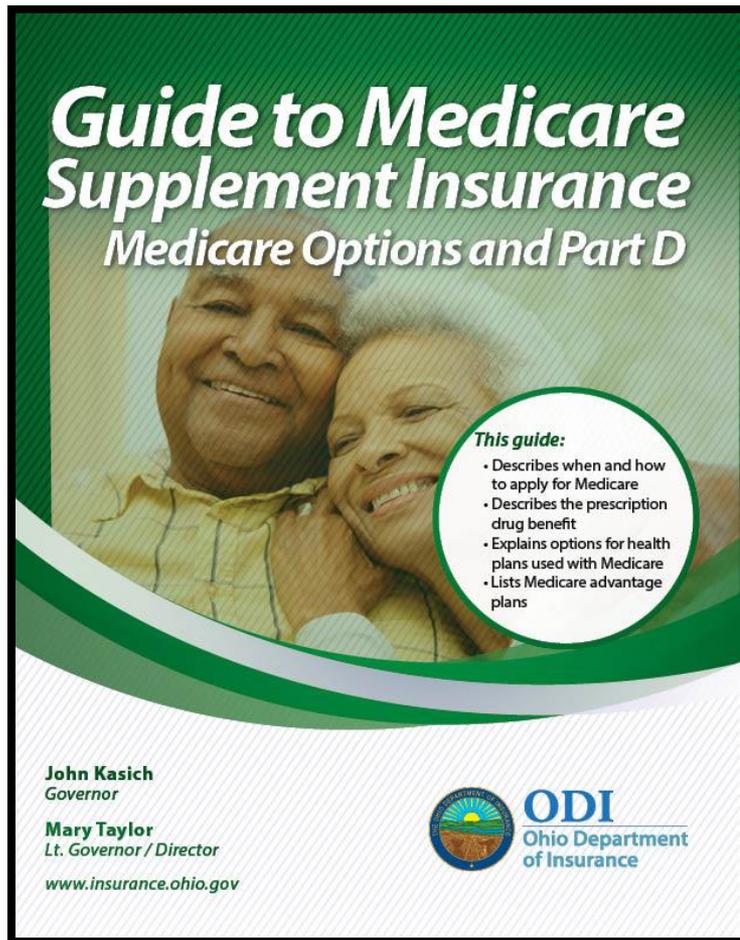
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# Thank you for your time and attention.



# Questions?



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