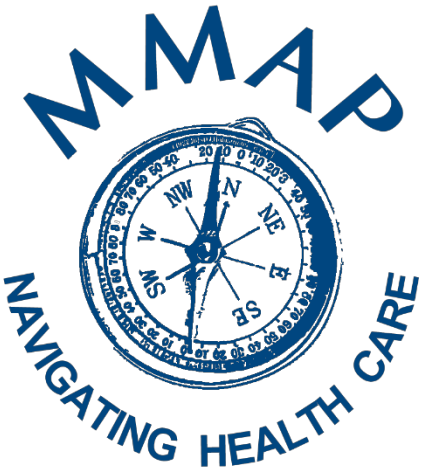

Medigap Insurance Comparison Guide

1-800-803-7174

Special Note:

At the writing of this booklet, April 1, 2016, important changes to Medicare Supplemental/Medigap policies in Michigan are being developed**.** This Special Note is the most current information. Contact a MMAP Counselor for updates on this process.

The mission of the Michigan Health Endowment Fund (MHEF) is to improve the health of Michigan residents and reduce the cost of health care, with special emphasis on the health and wellness of children and seniors. The fund was created as part of 2013 state legislation that allowed Blue Cross Blue Shield of Michigan to become a nonprofit mutual health insurer.

Among the objectives of the Fund is "Subsidizing the cost of individual Medigap coverage to Medicare-eligible individuals in this state who demonstrate a financial need in order to be able to purchase individual Medigap coverage".

Between August 1, 2016 and December 31, 2021 the Fund shall disburse $120,000,000.00 to subsidize the cost of individual Medigap coverage purchased by Medicare-eligible individuals in this state, who show a financial need.

The Fund will implement this requirement and provide subsidies beginning January 1, 2017. The Fund currently anticipates that the subsidy program will last at least four calendar years (through 2020) and possibly into 2021.

The Director of the Department of Insurance and Financial Services for the State of Michigan is responsible to recommend a means test, to be used by the Fund, to the Attorney General.

The Fund expects that once the means test has been determined and approved, that it will finalize the individual subsidy amount. The Fund expects to establish an open application process coincident with the Medicare open enrollment period in October 15, 2016– December 7, 2016.

TABLE OF CONTENTS

About This Publication 7
About MMAP 8
What is Medicare? 9
What are my Medicare plan options? 9
What is a Medigap policy? 11
Why buy a Medigap policy? 12
What doesn't a Medigap policy cover? 13
What does a Medigap policy cover? 13
How much does a Medigap policy cost? 13
What should I think about before buying a Medigap policy? 14
How do I shop for a Medigap policy? 15
When is the best time to buy a Medigap policy? 15
What is creditable coverage? 16
Should I start my Medigap open enrollment period if I am age 65 or older and still working? 17
How can I tell if I'm in my Medigap open enrollment period? 17
What if I missed my Medigap open enrollment period? 18
What if I have Medicare and am under age 65? 18
Should I be aware of other health insurance options? 19
How has legislation changed Medigap policies? 20
What is Medicaid and how can it help? 21

What if I have a Medigap policy and then receive Medicaid? 21
What is Medigap insurance fraud and how can I protect against it? 22
What do Medigap Plans cover? 24
What do Medigap Plans K and L cover? 25
The 10 Standardized Medigap Plans 27
Medigap Insurance Comparison Chart..... 28
Medigap Insurance Comparison Chart Worksheet 33
Glossary 35
Notes 42

About This Publication

The Michigan Medicare/Medicaid Assistance Program (MMAP - pronounced 'map') developed this publication for people with Medicare, their families and caregivers. This guide will help you figure out the what, why, when, where, and how of Medigap insurance.

By the end of this publication, you will learn:

- What a Medigap policy is.
- Why you might want to buy a Medigap policy.
- When you can buy a Medigap policy.
- Where you can find more information.
- How to choose the Medigap policy that best fits your needs.

This guide is for informational purposes only. Please double check costs and coverage information before purchasing a Medigap policy. You can verify the information by contacting insurance companies directly.

Please call your local MMAP office (1-800-803-7174) when you finish reading this publication. A counselor in your community will help you with your remaining Medigap insurance questions and concerns. This assistance is free for all people with Medicare, their families and caregivers.

About MMAP

The Michigan Medicare/Medicaid Assistance Program (MMAP) is a free service that can help you make health insurance decisions.

MMAP's mission is to educate, counsel, and empower Medicare beneficiaries and those who serve them so that they can make informed health benefit decisions. MMAP is an independent program funded by state and federal agencies. It is not affiliated with the insurance industry. Nationally, this program is called the State Health Insurance Assistance Program (SHIP). There is a SHIP in each state, the District of Columbia and the U.S. Territories.

When you call the MMAP 1-800-803-7174 hotline, you will be linked to a counselor in your community. Your counselor can help you:

- Understand Medicare and Medicaid.
- Compare or enroll in Medicare Prescription Drug Coverage.
- Review your Medicare supplemental insurance needs.
- Understand Medicare health plans.
- Apply for Medicaid or a Medicare Savings Program.
- Explore long term care insurance options.
- Report medical identity theft.
- Understand and report Medicare and Medicaid fraud or abuse.
- Be aware of current scams and health care fraud.

What is Medicare?

Medicare is a federal health insurance program for people age 65 or older, people under age 65 who have certain disabilities, and people of all ages with End Stage Renal Disease (ESRD), a permanent kidney failure requiring dialysis or a kidney transplant.

Medicare has several parts, including:

- **Part A (Hospital Insurance)** – Helps pay for inpatient hospital care, limited skilled nursing care, hospice care, and some home health care. Most people get Medicare Part A automatically when they turn 65.
- **Part B (Medical Insurance)** – Helps pay for doctors' services, outpatient hospital care, and some other medical services that Medicare Part A does not cover. You must pay a monthly premium to receive Medicare Part B.
- **Part C (Medicare Advantage Plans)** – A way to receive your Medicare benefits through a private insurance company. Medicare Advantage will be described in detail on page 9.
- **Part D (Prescription Drug Coverage)** – Helps pay for prescription drugs, insulin, some injections, and diabetic supplies used to inject insulin. You must pay a monthly premium to receive Medicare Part D.

What are my Medicare plan options?

There are different ways you can get your health care and prescription drug coverage through the Medicare program. You can choose either Original Medicare or a private Medicare Advantage Plan. If you choose Original Medicare, then you might benefit from a Medigap policy. However, if you have a Medicare Advantage Plan, you won't need Medigap because your plan should already provide many of the benefits a Medigap policy would cover.

Your Medicare plan affects your health care in many ways, including cost, benefits, doctors, convenience, and quality. No

matter how you choose to get your health care, you are still in the Medicare program.

Original Medicare – If you have Original Medicare, you will receive your Medicare Part A and B benefits from the federal government. You can use Original Medicare to get health care services and supplies nationwide and can use any provider that accepts Medicare.

You can buy a Medigap policy to pay for Original Medicare deductibles, co-payments, and coinsurance amounts. You may also purchase a Medicare Part D plan to cover the cost of your prescriptions.

Medicare Advantage (MA) Plan – If you have a Medicare Advantage Plan, you still receive your Medicare Part A and Part B benefits. However, you will receive your health coverage benefits from a private insurance company instead of the federal government. The Medicare Advantage Plans are a different way of receiving your health benefits. Some Medicare Advantage Plans include Part D prescription drug coverage. Some may also provide extra benefits, such as free gym memberships or limited vision coverage.

Medicare Advantage Plans may cover many of the same benefits that a Medigap policy would cover, such as extra days in the hospital. For this reason, you may not have a Medigap policy and a Medicare Advantage Plan at the same time.

You must have both Medicare Part A and Part B to join a Medicare Advantage Plan. You will still pay the Medicare Part B premium of $104.90 or $121.80 per month (in 2016). In addition, you may also have to pay a monthly premium for your Medicare Advantage Plan. Before you join a Medicare Advantage Plan, you should call the company to find out how much your monthly premium, copayments and deductibles for services would be. Monthly premiums may vary by zip code.

Medicare Advantage Plans are available in many areas, but may require you to use a specific network of providers for non-

emergency care. The network may be local, regional, or nationwide. The size of the network depends upon the type of Medicare Advantage Plan you choose. **Before you pick a Medicare Advantage Plan, you should contact all of your health care providers to make sure they participate in the plan's network.**

There are five types of Medicare Advantage Plans:

- Medicare Health Maintenance Organization (HMO) Plans
- Medicare Preferred Provider Organization (PPO) Plans
- Medicare Private Fee-for-Service (PFFS) Plans
- Medicare Special Needs Plans (SNP)
- Medicare Medical Savings Account (MSA) Plans

For more information on Medicare Advantage Plans contact MMAP at 1-800-803-7174 or Medicare at 1-800-633-4227 or www.medicare.gov

You must have Medicare Part A and Part B to purchase a Medigap policy.

WHAT IS A MEDIGAP POLICY?

A Medigap policy is health insurance sold by private insurance companies to fill the "gaps" in Original Medicare. For instance, Medigap policies may help pay for your Original Medicare deductibles, co-payments, or coinsurance.

Medigap policies are also called "Medicare Supplemental Insurance." When you buy a Medigap policy, you pay a premium to the insurance company for your plan. The policy will be automatically renewed each year as long as you pay your premium (unless the policy was purchased before 1991).

There are 10 different Medigap policies you can choose from, labeled Plans A through N. The Medigap policies are "standardized" so that you can easily compare plans sold by different insurance companies (except in Massachusetts, Minnesota, and Wisconsin). Each type of Medigap policy covers the same benefits no matter what company sells it. For example, if you buy Plan A from Insurance Company 1, the policy will offer the same benefits as Plan A sold by Insurance Company 2. You will receive the same Plan A benefits no matter which company you purchase from. The only difference is premium cost.

Because Medigap policies supplement Original Medicare, it is helpful to understand Medicare and your Medicare plan choices before you learn the details about Medigap. For that reason, this guide will first describe Medicare and your Medicare plan choices. Then, it will explain Medigap and your Medigap insurance options. Finally, this guide also includes a glossary that may help you understand the insurance terms and concepts you will read throughout the guide.

When you buy a Medigap policy, it only covers your health care costs. It does not cover any health care costs for your spouse.

Why buy a Medigap policy?

A Medigap policy can be a good option for people who want extra benefits, want to minimize their out-of-pocket costs, and can afford to pay a monthly Medigap premium. Original Medicare pays for many health care services, but it does not pay for all of your health care costs. There are certain costs that you must still pay, including coinsurance, co-payments, and deductibles. These costs are called

"gaps" in Medicare coverage. You may want to buy a Medigap policy to cover these gaps in Medicare coverage and save money on your out-of-pocket costs. Some Medigap policies also provide extra benefits that aren't covered by Medicare, such as routine annual check-ups and emergency health care while traveling outside the United States.

If you have retiree health coverage through your or your spouses' former employer, you may not need a Medigap policy. Please check with your MMAP Counselor or retiree benefit administrator for more information.

What doesn't a Medigap policy cover?

Some benefits are never covered by Medigap policies, including:

- Long-term care
- Hearing aids
- Vision or dental care
- Private-duty nursing
- Prescription drugs

What does a Medigap policy cover?

Each Medigap policy must cover the basic set of benefits. These benefits are listed on pages 24-26. These basic benefits include most Original Medicare coinsurance amounts, blood, and additional hospital benefits not covered by Original Medicare. Some Medigap policies may also pay for the Original Medicare deductibles or other "gaps" in Medicare coverage. The chart on page 27 shows the benefits offered by the 10 standardized Medigap policies.

How much does a Medigap policy cost?

The cost of a Medigap policy varies, depending upon which Medigap plan and insurance company you choose. The chart on pages 29-31

shows examples of the annual cost of Medigap policies offered by some insurance companies in Michigan. The cost of purchasing a policy from one of these companies ranges from $388 to $5,598 per year. The cost may also vary based upon how an insurance company sets prices for its Medigap policies. There are three different ways that insurance companies price their Medigap policies, including:

- **Community Rated –** The cost of the policy is based upon the community in which you live. Your premium is set according to how much it costs the company to provide Medigap coverage in your area. Everyone in the plan pays the same premium regardless of age, health, or length of time in the plan.
- **Issue Age –** The cost of the policy is based upon how old you are when you first purchase the policy. Your premium will not increase simply because you have a birthday.
- **Attained Age –** The cost of the policy is always based upon your current age. This means that your premium will increase as you grow older. Some companies may increase your premium annually, while others may use "age bands". This means that your premium increases based upon an age category or group (e.g. every five years). Attained age policies generally start out less expensive than issue age policies and grow more expensive as you get older.

It is important to understand how a company sets its prices before you purchase a Medigap policy. The way a company prices its policies will affect how your premium increases over time.

WHAT SHOULD I THINK ABOUT BEFORE BUYING A MEDIGAP POLICY?

You may want to consider these questions: How much am I spending on health care? What are my health care dollars spent on? Which Medigap benefits do I need? How much can I afford to spend

on premiums? What might my future health care costs be? Remember, you may need more health care as you get older.

How do I shop for a Medigap policy?

Here are a few tips for shopping for a Medigap policy:

- Remember, each type of Medigap policy covers the same benefits no matter what company sells it. The only difference between the policies is cost.
- Review Medigap Plans A – N and choose the plan that has the benefits you want (see page 27).
- Shop carefully. Call several insurance companies about the plan(s) you may want. Compare costs before you buy.
- Don't let an insurance agent rush you into buying a policy. You can always ask for more time to think about it and call them back.
- Don't buy more than one Medigap policy at a time.
- Don't pay in cash. Pay only by check, money order, or bank draft made payable to the insurance company, not to the insurance agent or anyone else.

Remember to double-check any cost and coverage information before you purchase a Medigap policy. You can verify these details by calling the Medigap insurance company.

When is the best time to buy a Medigap policy?

The best time to buy a Medigap policy is during your six month Medigap open enrollment period, which begins on the first day of the month in which you are both:

- Age 65 or older, and

- Enrolled in Medicare Part B

You will only have the opportunity for one Medigap open enrollment period. You may delay the start of your Medigap open enrollment period, but once it starts it cannot be stopped and you will not get another.

During your Medigap open enrollment period, an insurance company cannot:

- Deny you Medigap insurance coverage.
- Place conditions on a Medigap policy, like making you wait for coverage to start.
- Change the price of a Medigap policy because of your past or present health conditions.

There is one more advantage to buying a Medigap policy during your open enrollment period - the policy may cover your pre-existing health conditions without a waiting period. (A pre-existing condition is a health condition you had before your Medigap coverage began). If you buy a Medigap policy outside of your open enrollment period, an insurance company can make you wait up to six months before it will cover your pre-existing conditions. However, you can reduce this waiting period if you have creditable coverage.

WHAT IS CREDITABLE COVERAGE?

Creditable coverage is health coverage you had before you applied for a Medigap policy. If you buy a Medigap policy during your open enrollment period, creditable coverage can reduce the time you have to wait before your pre-existing health condition(s) will be covered by your Medigap policy.

Some examples of creditable coverage include:

- Employer or union group health plans
- Medicare Part A or Part B

- Medicaid
- TRICARE
- Indian Health Service
- Federal Employees Health Benefit Plan (FEHBP)
- Consolidated Omnibus Budget Reconciliation Act (COBRA) (if previous employer coverage was creditable)
- A public health plan
- A private health insurance policy

An insurance company must reduce your pre-existing condition waiting period by one month for each month of your creditable coverage. For example, if you have four months of previous creditable coverage, your waiting period will be reduced by four months. This means you will only have to wait two months before your Medigap policy will cover any pre-existing health conditions.

Should I start my Medigap open enrollment period if I am age 65 or older and still working?

You may choose to wait to enroll in Medicare Part B if you still have health coverage through your employer. If you delay your enrollment in Medicare Part B you also delay the start of your Medigap open enrollment period because it won't start until you are 65 **and** you sign up for Medicare Part B. It may be worth waiting because, once your open enrollment period starts, you can never have another.

How can I tell if I'm in my Medigap open enrollment period?

You can tell if you are in your Medigap open enrollment period by looking at your Medicare card. The lower right corner of this card shows the dates that your Medicare Part A and Part B coverage began. If you are age 65 or older, add six months to the date that

your Medicare Part B coverage started. If the date is in the future, you are still in your Medigap open enrollment period. If the date is in the past, you have missed your Medigap open enrollment period.

What if I missed my Medigap open enrollment period?

You can still apply for a Medigap policy. However, Medigap insurance companies are allowed to use medical underwriting to decide whether to accept your application, and how much to charge you for your Medigap policy.

You may sometimes have a special right to purchase a Medigap policy from any insurance company, even if you are no longer in your Medigap open enrollment period. This is called a "guaranteed issue right." You may be eligible for a guaranteed issue right if you have a major change in your health insurance coverage. If you have a guaranteed issue right, you are entitled to a special Medigap enrollment period in which insurance companies must sell you a Medigap policy, must cover your pre-existing conditions, and may not charge you more because of your health conditions. These are very similar to the protections that you have while you are in your Medigap open enrollment period. Please contact MMAP to see if you may be eligible for a Medigap guaranteed issue right.

What if I have Medicare and am under age 65?

If you are under age 65 and already have Medicare, you may purchase a Medigap policy at any time. In Michigan, insurance companies who sell major medical policies must offer Plans A and C to people under 65 with Medicare. Any company selling only supplemental insurance is not required to sell the A and C Plans to people under age 65 who have Medicare due to a disability. However, most companies are allowed to charge more because of past or present health conditions. They may also require a six-

month pre-existing condition waiting period before they will cover certain health conditions.

Michigan Law
Some insurance companies must offer Medigap Plans A and C to people with Medicare at any time, regardless of their age or health status.

People who are under age 65 and have Medicare will also be eligible for the regular six-month Medigap open enrollment period when they turn 65. During this enrollment period, they will have the right to buy any Medigap policy and may not be denied coverage or charged more because of pre-existing health conditions.

SHOULD I BE AWARE OF OTHER HEALTH INSURANCE OPTIONS?

Yes, you may want to compare three other health insurance options to the Medigap policies.

Medicare SELECT – Medicare SELECT is another type of Medigap policy that offers lower premiums but limits the network of doctors and hospitals you can use, except in an emergency. If you choose a Medicare SELECT policy, you are buying a standardized Medigap plan, labeled A through N. However, if you use an out-of-network provider for non-emergency services, you will have to pay the costs that Medicare doesn't pay. Medicare will still pay its share of the approved costs, as long as the provider accepts Medicare. Please see pages 29-31 for details about some Medicare SELECT policies sold in Michigan.

Medicare Advantage – Medicare Advantage Plans generally cover many of the same benefits as Medigap policies. For this reason, you should not have a Medigap policy and a Medicare Advantage Plan at the same time. Medicare Advantage Plans may have lower premiums than Medigap policies. However, you may have to use a

network of providers and pay different co-payments, coinsurance, or deductibles than people in Original Medicare.

Employer/Retiree Coverage – You may already have employer or retiree coverage that could pay for some or all of the Medicare co-payments, coinsurance, and deductibles typically covered by a Medigap policy. If you have an employer or retiree group health plan, your employer's benefits administrator can best answer questions about your coverage.

How has legislation changed Medigap policies?

Two laws have changed the types of Medigap policies available and the benefits offered by some Medigap policies. The first law was the Medicare Modernization Act (MMA) of 2003, which created Medicare Part D and eliminated the need for the prescription coverage offered by Medigap Plans H, I, and J. If you already have one of these Medigap policies, you have two options:

(1) You can keep your policy *without* prescription coverage, or

(2) You can keep your policy *with* prescription coverage, as long as you don't enroll in Medicare Part D. If you choose to enroll in Part D later, you will pay a late enrollment penalty.

The Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 impacted Medigap policies by eliminating several plans, creating new plans, and altering the benefits provided by some plans. Beginning in June 2010, MIPPA eliminated Medigap Plans E, H, I, and J. These plans are now outdated due to improvements in Medicare coverage over the past two decades. If you are enrolled in one of the eliminated plans you may keep your policy. MIPPA also removed some benefits from Medigap policies, including at-home recovery and preventive care.

Finally, MIPPA created two new Medigap policies, labeled Plans M and N. Plans M and N offer many of the same benefits as other Medigap policies, but with slightly different cost-sharing. For details on these plans please refer to the chart on page 27.

What is Medicaid and how can it help?

Medicaid is a program that helps pay medical costs for some people with low income and limited resources. There are different types of Medicaid programs, some of which offer "full" or "partial" help to people with Medicare. Full Medicaid coverage fills the gaps in Medicare and may also provide additional benefits that are never covered by Medicare (e.g. vision). If you have Medicare and full Medicaid, you may not need to purchase a Medigap policy. Other Medicaid programs offer partial help to people with Medicare. These Medicare Savings Programs may pay for some, or all, of Medicare's premiums, deductibles, co-payments, and coinsurance amounts. To qualify for a Medicare Savings Programs, you must have:

- Medicare Part A
- Countable monthly income of $1,356.50 or less for an individual or $1,822.25 or less for a couple (effective 4/1/16 – changes annually)
- Savings of $7,280 or less for an individual or $10,930 for a couple (in 2016)
- Savings include cash, money in a checking or savings account, and investments like stocks or bonds

For more information about these Medicaid programs, you can call MMAP at 1-800-803-7174. You can also call your county Department of Health and Human Services office. The phone number is listed in your phone book under County or State Government.

What if I have a Medigap policy and then receive Medicaid?

If you purchase a Medigap policy and later receive Medicaid, you will have the right to suspend your Medigap policy for two years while you are on Medicaid. If you exercise this right, you will not have to pay premiums and the policy will not pay benefits. At the

end of the suspension, you can start your policy again without any new medical underwriting or pre-existing condition waiting periods. You can call your Medigap insurance company to find out how to suspend your policy.

What is Medigap insurance fraud and how can I protect against it?

Insurance agents and companies are not allowed to make false or misleading statements or leave out important facts about insurance policies. This is considered insurance fraud. When you buy an insurance policy, you trust the insurance agent and written materials to truthfully explain what the policy does and does not cover. The Michigan Uniform Trade Practices Act requires insurance agents and companies to give you accurate information about any policy they sell. It is fraudulent for an agent or company to:

- Misrepresent what a policy covers or does not cover.
- Misrepresent the advantages or disadvantages of a policy.
- Make a false statement to persuade you to cancel or exchange a policy you already have.
- Make an incomplete comparison of insurance policies.
- Use a name or title for a policy that misrepresents the content of the policy.
- Make a false or misleading statement about the financial strength of an insurance company.
- Make a false or misleading statement to get you to transfer the value of your policy to someone else or to take out a loan against your policy.
- Misrepresent an insurance policy as an asset that can be traded or sold for investment purposes.
- Sell a Medigap policy to someone who has Medicaid or Medicare Advantage.

To protect against Medigap insurance fraud, you should:

- Research Medigap Plans A – N so you know what is available before you buy a policy. Decide what benefits you would like your Medigap policy to cover.
- Read any literature about the policy you are considering and make sure you know what you are buying. It is important to know what is covered by the policy and what is not covered.
- Ask questions. Don't be afraid to ask questions or take the agent's time. He or she will be earning a commission on the policy you buy.
- Deal with a reputable agent. If possible, get references from other customers to find out if they were satisfied with the service and coverage they received.
- Take your time in making a decision. An insurance policy can be very valuable to you if you have to make a claim. It is important that you know what will or will not be covered by your policy. Do not allow an insurance company or agent to pressure you into enrolling.
- Get it in writing. If an agent tells you that something is covered and you don't see it in the policy, ask him or her to show you in writing where it is covered in the policy. Keep the record for later.
- Before you sign any form, read it and make sure you understand what it means. If you don't understand, ask questions. This is an important decision, so take your time and don't rush.

- Do not pay in cash. Pay only by check, money order, or bank draft made payable to the insurance company, not to the insurance agent or anyone else.

If you think you have been a victim of insurance fraud, please contact the Michigan Department of Insurance and Financial Services (DIFS) at 1-877-999-6442

You can also contact MMAP for assistance at 1-800-803-7174

What do Medigap Plans cover?

Medigap Plans A – N have a Basic or Core benefit. Each plan includes at least this basic benefit; however, plans K and L offer slight alterations in the basic benefit. The basic benefit covers:

- Medicare Part A Coinsurance
    - Days 61-90 of a hospital stay in each Medicare benefit period ($322 per day in 2016)
    - Days 91-150 of a hospital stay ($644 per day in 2016) Medicare will only pay for these 60 days once during your lifetime. If you are hospitalized again, you (or your supplemental insurance) will have to pay for days 91-150
- Medicare Part A Hospital Benefits
    - An extra 365 days of inpatient hospital care after you use your Original Medicare hospital benefits
- Medicare Part B Coinsurance or Copayment
    - Medigap pays for the Part B coinsurance after you meet your $166 (in 2016) annual deductible
- Medicare Part A and B Blood Coverage

    - First three pints of blood (or equivalent quantities of packed red blood cells) per calendar year
- Medicare Part A Hospice Care Coinsurance or Copayment
    - Medigap pays outpatient prescriptions drug and inpatient respite care coinsurance

In addition to the basic benefits Plans A – N offer a variety of additional benefits in various combinations. Please see the chart on page 27 for details on these combinations.

What do Medigap Plans K and L cover?

Medigap Plans K and L cover the same "gaps" in Medicare as the basic benefit. However, Plans K and L do not cover the gaps as completely as other Medigap policies. Since K and L provide less coverage, the premiums for these plans are generally lower than premiums for other Medigap plans.

The following are the variations found in Plans K and L:

- Medicare Part A Hospice Benefits
    - 50% (Plan K) or 75% (Plan L) coverage of cost sharing for Medicare Part A covered hospice expenses or respite care
- Medicare Part B Coinsurance
    - Medigap pays for 50% (Plan K) or 75% (Plan L) of the Part B coinsurance after you meet your $166 (in 2016) annual deductible
    - 100% coverage for coinsurance of Medicare Part B covered preventative services
- Medicare Part A and B Blood Coverage
    - 50% (Plan K) or 75% (Plan L) coverage for the first three pints of blood (or equivalent quantities of packed red blood cells) per calendar year
- Out of Pocket Spending Limits

- Once you spend a set amount out-of-pocket, Plans K and L will pay 100% of all Part A and B deductibles, copayments, and coinsurances. In 2016, the out-of-pocket limits are $4,960 for Plan K and $2,480 for Plan L

THE 10 STANDARDIZED MEDIGAP PLANS

How to read the chart: If a check mark appears in a column of this chart, the Medigap policy covers 100% of the described benefit. If a row lists a percentage, the policy covers that percentage of the described benefit. If a row is blank, the policy doesn't cover that benefit. Note: The Medigap policy covers coinsurance only after you have paid the deductible (unless the Medigap policy also covers the deductible).

Medigap Benefits (Yellow items are "Basic Benefits" others are "additional benefits")	**Medigap Plans**									
	A	**B**	**C**	**D**	**F***	**G**	**K**	**L**	**M**	**N**
Part A Hospital Coinsurance and hospital costs up to an additional 365 hospital days after Medicare benefits are used up	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Medicare Part B Coinsurance or Copayment	✔	✔	✔	✔	✔	✔	50%	75%	✔	✔ ***
Blood (First 3 Pints)	✔	✔	✔	✔	✔	✔	50%	75%	✔	✔
Part A Hospice Care Coinsurance or Copayment	✔	✔	✔	✔	✔	✔	50%	75%	✔	✔
Part A Deductible		✔	✔	✔	✔	✔	50%	75%	50%	✔
Part B Deductible			✔		✔					
Part B Excess Charges					✔	✔				
Skilled Nursing Facility Care Coinsurance			✔	✔	✔	✔	50%	75%	✔	✔
Foreign Travel Emergency (up to Plan Limits)			80% ****	80% ****	80% ****	80% ****			80% ****	80% ****
							Out of Pocket Limit in 2016 **			
							$4,960	**$2,480**		

See annotations on next page .....

* Plan F offers a high deductible option. The deductible increases every year. Premiums are typically lower than other Medigap policies. However, you must

meet a $2,180 deductible in 2016 before the policy will cover your health claims.

** For Plan K and L, after you meet your out-of-pocket yearly limit and your yearly Part B Deductible ($166 in 2016), the Medigap Plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance except up to $20 copayment for office visits and up to $50 for emergency department visits.

**** After the $250 deductible is met, 80% up to a lifetime maximum of $50,000

Medigap Insurance Comparison Chart

The Medigap Insurance Comparison Chart on the following pages will give you an overview of some Medigap insurance policies sold in Michigan. You can use this chart to compare Medigap policies and insurance companies. However, you should also do your own investigation of prices and policies. Please contact the Medigap insurance companies directly for more information and current rates for your zip code.

This chart only contains a sample of Medigap insurance companies. It does not include all companies that sell Medigap policies in Michigan. Inclusion in this guide is not an endorsement of the policy or insurance company selling the policy. The information in this chart is based upon the most current information available from the Michigan Department of Insurance and Financial Services (DIFS). For a complete list of companies that sell Medigap policies in Michigan, call DIFS at 1-877-999-6442, Medicare at 1-800-633-4227, or visit the Medicare website at www.Medicare.gov

Medigap Insurance Comparison Chart

Company	Plans Offered/Annual Cost (for person age 65)	Pre-Existing Condition Waiting Period	Premium Based Upon	Available to People Under 65
American Continental 101 Continental Place Brentwood, TN 37024 1-800-264-4000	A: $955.56 B: $1,432.20 C: Select (call for information) C: 1,711.56 F: $1,717.80 F: $389.04 (High Deductible) G: $1,386.96 N: $1,167.60 *(Rates vary by zip code)*	6 Months	Attained Age	No
Blue Cross Blue Shield of Michigan 600 Lafayette Detroit, MI 48226 1-800-485-4415 www.bcbsmi.com	**Legacy** A. $485.04 C: $1,474.32 **My Blue Medigap** A: $1,338.72 F: $1,939.80 F: $821.76 (High Deductible) N: $1,542.84	None	Attained age	Yes Legacy only

Medigap Insurance Comparison Chart

Company	Plans Offered/Annual Cost (for person age 65)	Pre-Existing Condition Waiting Period	Premium Based Upon	Available to People Under 65
Continental General Insurance Company 11200 Lake Line Blvd. Ste. 100 Austin, TX 78717 1-877-293-8499 www.continentalgeneral.com	A: $955.56 C: $1,711.56 F: $1,717.80 G: $1,386.96 N: $1,167.60 *(Rates vary by zip code)*	None	Attained Age	Yes A & C Plans only
Priority Health 1239 East Beltline NE Grand Rapids, MI 49525 1-800-852-9780 www.prioritymedicare.com	A: $1,080.00 D: $1644.00 F: $1872.00 N: $1308.00 *(Rates vary by zip code and gender - men pay more)*	None	Attained Age	No
Royal Neighbors of America 230 16th Street Rock Island, IL 61201 1-800-770-4561 www.royalneighbors.org	A: $955.56 F: $1717.80 G: $1386.96 *(Rates vary by zip code)*	None	Attained Age	No

Medigap Insurance Comparison Chart

Company	Plans Offered/Annual Cost (for person age 65)	Pre-Existing Condition Waiting Period	Premium Based Upon	Available to People Under 65
United Healthcare Insurance Company/AARP P.O. Box 130 Montgomeryville, PA 18936 1-800-523-5800 www.aarphealthcare.org	A: $955.44 B: $1,476.24 C: Select (call for information) C: $1,764.00 F: $1,770.24 K: $579.60 L: $1,037.40 N: 1,234.80 *(Rates vary by zip code)*	3 Months	Attained Age	Yes N only

The chart above contains only a sample of Medigap insurance companies. It does not include all companies that sell Medigap policies in Michigan. Inclusion in this guide is not an endorsement of the policy or insurance company selling the policy. The information in this chart is based upon the most current information available from the Medicare.gov website. For a complete list of companies that sell Medigap policies in Michigan, call Michigan Department of Insurance and Financial Services (DIFS) at 1-877-999-6442, Medicare at 1-800-633-4227, or visit the Medicare website at www.Medicare.gov.

For the most recent information on Medigap Insurance Comparison

1. Go to: www.medicare.gov

2. Select the tab at the top of the page for "Supplemental and Other Insurance".

3. Next: Select "Find a Medigap policy"
   Follow the prompts on the Medicare website to compare and choose the best policy for you.

If you need assistance, call a MMAP counselor at:

1-800-803-7174

Medigap Insurance Comparison Chart Worksheet

Company	Plans Offered/Annual Cost (for person age 65)	Pre-Existing Condition Waiting Period	Premium Based Upon	Available to People Under 65

GLOSSARY

Accepting Assignment – A physician or other provider agrees to accept Medicare's approved amount as payment in full. You pay your share of the cost (deductibles and coinsurance) and Medicare pays its share to the provider.

Attained Age – Some insurance companies price Medigap policies based on your age. If you purchase an attained age Medigap policy, your premiums will increase as you grow older. Some insurance companies increase your premium annually and some use "age bands". This means that your premium increases based upon an age category or group (e.g. every five years). Check with your Medigap insurance company to learn how premiums will increase under attained age policies.

Basic (Core) Benefits – Basic (or core) benefits are the benefits provided in Medigap Plan A. These benefits are also included in all other Medigap plans (B – N). The benefits include Part A Hospital (days 61-90), lifetime reserve hospital days (days 91-150), Part A and B blood coverage, Part B coinsurance (20%), Part A hospice coinsurance, and 365 additional lifetime hospital days (100%).

Benefit Period – A benefit period is the way that Original Medicare measures how long you use hospital and skilled nursing facility (SNF) services. A benefit period begins the day you go to a hospital. The benefit period ends when you have not received any inpatient hospital care (or skilled care in SNF) for 60 days in a row. If you go into a hospital after one benefit period has ended, a new benefit period begins. There is no limit to the number of benefit periods.

COBRA (Consolidated Omnibus Budget Reconciliation Act) – COBRA gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances

such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events.

Coinsurance – Coinsurance is the amount you may be required to pay for services after you pay any deductibles (e.g. 20%). You pay this amount after you pay the Part A or Part B deductible.

Community Rating – Some insurance companies price Medigap policies based upon the community that you live in. This community rating structure sets premium rates according to what it costs the company to provide this coverage in your area. Under community rating, everyone in the Medigap plan pays the same premium regardless of age, health, or length of time in the plan.

Copayment – Copayment is an amount that you pay for each medical service, like a doctor's visit or prescription. A copayment is usually a fixed amount you pay for a service. For example, you could pay $10 or $20 for a doctor's visit. Co-payments are also used for some hospital outpatient services in Original Medicare.

Creditable Coverage – Creditable coverage includes certain kinds of previous health insurance coverage that can be used to shorten a Medigap pre-existing condition waiting period.

Deductible – A deductible is the amount you must pay for health care before Medicare begins to pay. For example, in Original Medicare, you pay a new deductible for each benefit period for Medicare Part A and each year for Medicare Part B. These amounts can change every year.

Department of Insurance and Financial Services – DIFS is responsible for regulating insurance companies, banks, credit unions, investment advisers, consumer finance lenders, insurance agents, and securities agents.

Excess Charges – If a provider does not accept Medicare assignment then that provider can charge above the Medicare approved amount. Excess charges are the difference between a doctor or other health care provider's actual charge and the amount that Medicare (and

you) pays for a health care service or supply. Providers cannot charge more than 15% more than Medicare's approved amount.

Guaranteed Issue Rights (also called "Medigap Protections") – Guaranteed issue rights are rights you have in certain situations when insurance companies are required by law to sell or offer you a Medigap policy. In these situations, an insurance company cannot deny you a Medigap policy, or place conditions on a Medigap policy, such as exclusions for pre-existing conditions, and cannot charge you more for a policy because of past or present health conditions.

Guaranteed Renewable – A right you have that requires your insurance company to automatically renew or continue your Medigap policy, unless you lie to the insurance company, commit fraud, or don't pay your premiums.

Issue Age – Some insurance companies price Medigap policies based upon your age when you first purchase the policy. This means that you are always rated at the age you were when you purchased your policy. Premiums won't increase simply because you have a birthday.

Lifetime Reserve Days – These are additional days that Medicare will pay for when you are in a hospital more than 90 days. You have a total of 60 reserve days that can be used during your lifetime. For each lifetime reserve day, Medicare pays all covered costs except for daily co-pay.

Medicaid – Medicaid is a joint federal and state program that helps with medical costs for some people with limited incomes and resources, including qualified elderly or disabled persons. Medicaid also pays for long term nursing facility care, some limited home health services, and may pay for some assisted living services. Medicaid programs vary from state to state, but most health care costs are covered if you qualify for both Medicare and Medicaid.

Medical Underwriting – The process that an insurance company uses to decide, based on your medical history, whether or not to take your application for insurance, whether or not to add a waiting period for

pre-existing conditions, and how much to charge you for that insurance. If you choose a Medigap policy during your open enrollment period, you will not have to go through medical underwriting.

Medicare Advantage – A type of Medicare plan offered by a private insurance company that contracts with Medicare to provide you with all your Medicare Part A and B benefits. Medicare Advantage Plans are Health Maintenance Organizations, Preferred Provider Organizations, Private-Fee-for-Service Plans, Special Needs Plans, and Medicare Medical Savings Accounts. If you are enrolled in a Medicare Advantage Plan, Medicare services are covered through the plan and are not paid under Original Medicare.

Medicare-Approved Amount – This is the amount a doctor or supplier receives from Medicare and you for a health care service or supply. It may be less than the actual amount a doctor or supplier charges. It is sometimes called the "Approved Charge".

Medicare Health Maintenance Organization (HMO) Plan – A type of Medicare Advantage Plan available in some areas of the country. Many HMOs offer extra benefits, like extra days in the hospital, but most HMOs usually only allow you to go to doctors, specialists, or hospitals in the plan's network (except in an emergency). Your deductibles, co-payments, and coinsurance amounts may be different than in Original Medicare.

Medicare Medical Savings Account (MSA) – A Medicare Medical Savings Account has two parts: a savings account and a high deductible Medicare Advantage Plan. Each year, Medicare will put a certain amount of money into the savings account. You can then use the money to pay for your medical expenses until you meet your deductible. Once you meet your deductible, your Medicare Advantage Plan will cover your health care expenses.

Medicare Part A – Hospital insurance that helps pay for inpatient hospital care, limited skilled nursing care, hospice care, and some

home health care. Most people get Medicare Part A automatically when they turn 65.

Medicare Part B – Medical insurance that helps pay for doctors' services, outpatient hospital care, and some other medical services that Medicare Part A does not cover. Medicare Part B helps pay for these services and supplies when they are medically necessary. You must pay a monthly premium to receive Medicare Part B.

Medicare Part D – Outpatient prescription insurance that helps pay for brand name and generic drugs, insulin, some injections, and diabetic supplies used to inject insulin. Part D plans are offered by private insurance companies. You must pay a monthly premium to receive Medicare Part D.

Medicare Preferred Provider Organization (PPO) Plan – A type of Medicare Advantage Plan available in a local or regional area in which you pay less if you use doctors, hospitals, and providers that belong to the network. You can use doctors, hospitals, and providers outside of the network, but will pay an additional cost. Your deductibles, co-payments, and coinsurance amounts may be different than in Original Medicare.

Medicare Private Fee-for Service (PFFS) Plan – A type of Medicare Advantage Plan in which you may go to any doctor or hospital that accepts the plan's payment. You should check with your doctor to make sure they will accept the PFFS plan's payment before enrolling in this type of plan. The insurance plan, rather than the Medicare program, decides how much it will pay and what you pay for the services you get. Your deductibles, co-payments, and coinsurance amounts may be different than in Original Medicare.

Medicare SELECT – A type of Medigap policy that may require you to use hospitals and, in some cases, doctors within its network to be eligible for full benefits.

Medicare Special Needs Plan (SNP) – A type of Medicare Advantage Plan that provides more focused and specialized health care for specific

groups of people, such as those who have both Medicare and Medicaid, who reside in a nursing home, or have certain chronic medical conditions.

Medigap Open Enrollment Period – A one-time-only, 6-month period when federal law allows you to buy any Medigap policy you want that is sold in your state. It starts in the first month that you are covered under Medicare Part B and you are age 65 or older. During this period, you cannot be denied a Medigap policy or charged more due to past or present health conditions.

Medigap Policy – A Medicare supplement insurance policy sold by private insurance companies to fill "gaps" in Original Medicare.

Michigan Uniform Trade Practices Act – The Michigan Uniform Trade Practices Act requires insurance agents and companies to give you accurate information about any policy they sell.

MIPPA (Medicare Improvements for Patients and Providers Act) – The MIPPA legislation was passed in 2008 and impacted Medigap policies by eliminating several plans, creating new plans, and altering the benefits provided by some plans.

MMA (Medicare Modernization Act) – The MMA legislation provides Medicare beneficiaries with the first comprehensive prescription drug benefit ever offered under the Medicare program.

MMAP (Michigan Medicare/Medicaid Assistance Program) – MMAP is a free service that can help you make health insurance decisions. MMAP's mission is to educate, counsel, and empower Medicare beneficiaries and those who serve them so that they can make informed health benefit decisions.

Original Medicare – A fee-for-service health plan with two parts: Medicare Part A (Hospital Insurance) and Part B (Medical Insurance). Medicare pays its share of the Medicare-approved amount and you pay your share (coinsurance and deductibles).

Pre-existing Condition – A health condition you had before the date that a new insurance policy starts.

Premium – A periodic payment to Medicare, an insurance company, or a health care plan for health care coverage.

Notes

For more information call

1800-803-7174

or visit

www.mmapinc.org

Published by MMAP, Inc.

Revised March 2016

MMAP, Inc. is funded by grants from the U.S. Department of Health & Human Services – the Administration for Community Living, the Michigan Department of Health and Human Services and the Michigan Aging and Adult Services Agency.

ship state health insurance assistance programs NATIONAL NETWORK

LOCAL HELP FOR PEOPLE WITH MEDICARE

SMP Empowering Seniors To Prevent Healthcare Fraud

MMAP NAVIGATING HEALTH CARE