

Medicare Supplement/Medigap Fact Sheet

1. All Medicare Supplement/Medigap Insurance plans are nationally standardized meaning a Plan G will pay the same regardless of company and regardless of the premium.
2. These plans do not include drug coverage, dental coverage or vision coverage. Separate dental and/or vision riders may be available for an additional premium. Drug coverage can be purchased through a Medicare approved Part D plan.
3. You must be enrolled in Medicare Part B before you can purchase a Medicare Supplement (Medigap) insurance plan.
4. You are not allowed to be in a Medicare Supplement insurance plan if you are enrolled in a Medicare Advantage plan.
5. All Supplement/MEDIGAP policies are age-rated, meaning your premiums are based on your age when you apply for coverage.
6. Issue age policies average your premium based on their estimate of how long you will live. These policies typically do not increase over time.
7. Attained age policies calculate the premium each year and then are adjusted for age. The cost of these policies tends to rise slowly over time.
8. Benefit Plans C and F will not be sold after January 1, 2020. Anyone currently on one of these benefit plans can keep their coverage if they choose. It is anticipated that the premiums for these plans will increase faster than the premiums for other benefit plans.
9. Pre-existing Underwriting means that insurance company looks at your current and past medical history to determine if:
 - a. The company will accept you as an insured.
 - b. The company will add a surcharge to your regular premium to cover the added expense of your medical issues.
 - c. The company will impose a waiting period before they cover your medical issues.The types of medical issues the insurance companies will ask about are; heart problems, cancer, dementia, diabetes, upcoming joint replacement surgeries, respiratory diseases, etc.
10. During the first six months after the effective date of Part B (whether that be due to aging in, leaving employer coverage or gaining Medicare eligibility based on a disability) OR during the first 63 days after you lose employer insurance (if you already have Part B in place), you can purchase a MEDIGAP policy without pre-existing underwriting. After these times, you will be subject to underwriting if you want to purchase a MEDIGAP/Supplement plan.
(Underwriting means your premium and eligibility for coverage will be subject to the answers you provide on health questions asked by the company.)

UNDERSTANDING THE AM BEST RATING SYSTEM OF SUPPLEMENT/MEDIGAP INSURANCE PLANS

- a. Insurance companies with the higher letter grade are more financially sound.
- b. The descriptor behind the letter grade is a predictor of future performance. (+ or -)
- c. Consumer Complaint Index numbers less than 1.00 are better than numbers higher than 1.00.

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- d. If a plan offers a multi policy discount is noted on the worksheet.
- e. The last column is for you to use to help determine which Medigap/Supplement plan is right for you.

Once you have determined which company(s) you are interested in, please call the Marketing Phone Number (on the ratings worksheet) for company information. Request an application. You can request as many applications as you wish. Please note; that until you sign the completed application and send them the premium amount, you are not enrolled in their insurance plan.

HOW TO CHOOSE A MEDICARE SUPPLEMENTAL/MEDIGAP INSURANCE PLAN

Use the criteria of Insurance Rating, Consumer Complaint Index and Premium criteria are recommended for choosing MEDIGAP insurance plan.

1. AM Best Rating (an independent evaluator of insurance companies)
 - a. Letter grade is for past performance
 - b. Description is for future performance
 - c. A high letter grade with a stable or positive descriptor is your best financial option.
2. Consumer Complaint Index is a comparison of the complaints received by the insurance department to the insurance company's business percentage. And index value of 1.00 is average. An index of less than 1.00 is better; an index of greater than 1.00 is worse.
**indicates the insurance company does not do enough business in Kansas to calculate an index.
3. Insurance Premium- see below to determine the current premium registered with the Kansas Insurance Department.
 - a) Go to www.ksinsurance.org website
 - b) Click on "Consumers" tab.
 - c) Click on "Health Insurance"
 - d) Scroll down to the Medicare tab.
 - e) Click on the Yellow Medicare Supplement Online Comparisons Tab.
 - f) Complete the following fields: Age, Gender, Zip Code, Tobacco Use, and the benefit plan letter from drop down box. Click the submit button.
 - g) A list of insurance companies and their premium cost will be displayed on the screen. You can click on the insurance company name to find out their contact information and premium options.

REMEMBER: No matter which plan you choose, All Medigap Insurance Companies must offer the same benefit plan and must pay the same amount regardless of premium cost.

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