



Know Your Benefits

What Is Medicare Supplement Insurance (Medigap)?

Navigating the intricacies of health care insurance can be daunting, especially for those approaching retirement age or already enrolled in Medicare. While original Medicare provides essential coverage, it often leaves beneficiaries with out-of-pocket costs. To address these gaps, many individuals turn to Medicare supplement insurance, commonly known as Medigap.

This article explores Medigap, how it compares to original Medicare and its significance for those with prior medical conditions.

Understanding Medigap

Medigap is extra insurance you can buy to supplement original Medicare coverage. It helps pay for some of the health care costs that Medicare doesn't cover, such as copayments, coinsurance and deductibles. Medigap generally doesn't cover long-term care, vision or dental care, hearing aids, eyeglasses and private-duty nursing. Sold by private insurance companies, Medigap policies are regulated by both federal and state laws to ensure standardized benefits and consumer protections. There are 10 different types of Medigap plans offered in most states, named by letters A through D, F, G and K through N. Between plans with the same letter, the price is the only difference when sold by different insurance companies.

You can only buy Medigap if you have original Medicare. Generally, this means you must sign up for Medicare Part A (hospital insurance) and Part B (medical insurance) before you can purchase a Medigap policy. Additionally, you and your spouse must purchase separate Medigap policies since your Medigap policy will not cover your spouse's health care costs.

Medigap's Role in Medicare

To understand Medigap's role, it is important first to know the difference between original Medicare and Medicare Advantage, also known as Medicare Part C. Original Medicare consists of Part A and Part B coverage, which covers most general doctor and hospital visits. However, it doesn't cover everything, so those with original Medicare can opt for a supplemental Medigap plan to cover the excess.

On the other hand, Medicare Advantage plans are an alternative to original Medicare and are offered by private companies that contract with Medicare. These plans bundle Medicare Parts A, B and typically D (prescription drug coverage). Medicare Advantage covers more than original Medicare, so adding a Medigap plan is neither necessary nor allowed. Further, it is illegal for anyone to try to sell someone who has Medicare Advantage a Medigap policy unless they are switching to original Medicare.

Medigap and Medical Conditions

One significant advantage of Medigap is that it typically offers "guaranteed issue rights" or "Medigap protections" for beneficiaries with prior medical conditions during specific enrollment periods. Guaranteed issue rights are situations where an insurance company can't deny you a Medigap policy, charge you more because of your health problems or refuse to cover your preexisting health conditions.

The best time to purchase a Medigap policy is during your six-month Medigap open enrollment period. If you are aged 65 or older, a six-month "Medigap open enrollment" period starts the first month you have Medicare Part B and will end six months after the effective date of your Part B



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coverage. During this time, you can enroll in any Medigap policy sold in your state regardless of your health conditions, and the insurance company can't deny coverage or charge higher premiums due to preexisting health problems. Applying for Medigap coverage after this period may result in the insurance company denying you or charging you a higher premium based on your health conditions. The Medigap open enrollment period is a one-time enrollment opportunity. It doesn't repeat every year like the Medicare open enrollment period.

If you apply for a Medigap policy when you don't have a guaranteed issue right, you'll usually have to answer questions about your health. An insurer may reject you, impose a waiting period or charge more because of a preexisting condition. Keep in mind that the conditions, time frame, and effect on your coverage can vary depending on the insurer and state. It's crucial to evaluate your health needs and enrollment options carefully.

Changing Medigap Policies

In most cases, you won't have a right under federal law to switch Medigap policies unless you're within your six-month Medigap open enrollment period or eligible under a specific situation or guaranteed issue right.

If you buy a Medigap policy during your six-month Medigap open enrollment period and decide you don't like the policy during that period, you can switch to a different Medigap policy. When you get your new Medigap policy, you have 30 days to decide if you want to keep it. You may want to change your Medigap policy if it no longer meets your needs for any of the following reasons:

- You're paying for benefits you don't need.
- You need more benefits.
- You want to change insurance companies.
- You want a policy that costs less.

You have the right to switch or drop your Medigap policy in some situations under federal law, but should check with your state insurance department about your rights under state law.

Conclusion

Medigap serves as a valuable complement to original Medicare, providing beneficiaries with greater financial protection and flexibility in health care choices. By filling the gaps left by Medicare, Medigap offers peace of mind and helps mitigate the uncertainty of health care costs in retirement.

If you're 65 or older, federal law allows you to buy a Medicare supplement policy with full protections if you do so within certain specified time frames. For individuals with current and prior medical conditions, understanding enrollment periods and coverage considerations is crucial to maximizing the benefits of Medigap coverage.

Visit [Medicare.gov](https://www.medicare.gov) to learn more about Medigap or talk to your HR representative about any benefits-related questions and concerns.