



# Connecticut Insurance Department

## Medigap Fact Sheet

### What is Medigap?

Medicare supplement insurance policies, commonly called Medigap insurance, are designed to supplement the benefits under the traditional Medicare program (Medicare Parts A & B). Medigap insurance plays an important role in providing health insurance coverage for Connecticut Medicare beneficiaries by covering certain expenses not covered under Medicare, such as deductibles, co-payments, and co-insurance.

Additionally, some of the Medigap plans pay for expenses that are not covered under Medicare, like extended hospital stays, excess charges, and emergency medical care while traveling outside of the country.

### Are Medigap plans standardized?

Medigap plans are standardized and labeled with letters A through N. The benefits within a lettered plan are identical making it easy to compare the different plans.

The Medicare Improvements for Patients and Providers Act (MIPPA), enacted in 2008, included changes recommended by the National Association of Insurance Commissioners (NAIC). Congress requested that the NAIC modernize and develop the standardized Medigap policy designs.

The revisions protect consumers by adding more benefit options and eliminating duplicate benefits.

### Buying Medigap Coverage.

Before buying or replacing an existing Medigap plan consumers should make sure the purchase is suitable for them. In Connecticut, Medigap plans are available on a guaranteed issue basis at all times and rates may not vary based on an applicant's age, gender, or health status.

A pre-existing condition limitation may apply if an applicant has no prior creditable coverage or has experienced a gap in coverage. Existing policyholders are free to replace their

existing policies with one of the new plans, if they feel one of the new plans is more suitable for them.

### What are the requirements?

Any policy sold after May 31, 2010 must conform to the new requirements.

The excess charge coverage under Plan G has been enhanced from 80% to 100%. When doctors charge more than what Medicare allows, the excess charge coverage helps pay the outstanding balance.

A new hospice benefit was added to all new plans as of June 1, 2010. This benefit will cover the 5% coinsurance charge for drugs and respite care, under Medicare Part A.

#### **NEW plans after May 2010.**

Plan M covers the core benefits, 50% of the Medicare Part A deductible, the skilled nursing facility (SNF) copayments, and emergency care in a foreign country.

Plan N covers the core benefits, 100% of the Medicare Part A deductible, SNF co-payments, and emergency care in a foreign country. Coverage for the Medicare Part B coinsurance charges are subject to a co-payment of up to \$20 for doctor office visits and up to \$50 for emergency room visits. The ER co-pay is waived if the insured is admitted to the hospital.

#### **Eliminated Plans**

Under the new requirements, Medigap Plans E, H, I, & J have been eliminated and can no longer be sold. Existing policyholders

need not worry. Their policies are guaranteed renewable and therefore, can be kept with no changes, as long as the policy premiums are paid on time.

### More information.

Visit the Insurance Department website ([www.ct.gov/cid](http://www.ct.gov/cid)) for the names of Medigap insurers, their telephone numbers, and the rates approved for all Medicare supplement insurance plans offered for sale in the state.

### Existing Policyholders— Don't worry!

Policies are guaranteed renewable, and therefore, can be kept with no changes, as long as the policy premiums are paid on time.