



Dear Stan

I recently signed up for Medicare Parts A and B. A friend said I should also consider purchasing a Medigap policy. What is a Medigap policy and why should I consider one?

*Samantha
Sunland Park*

**Report Medicare Related Fraud by calling the
New Mexico Senior Medicare Patrol (SMP) at**

1-800-432-2080

**The SMP will provide you with the
information you need to PREVENT,
DETECT and REPORT Medicare fraud,
errors, and abuse.**

Dear Samantha,

Congratulations on signing up for Medicare. Medicare pays on average about 80% of a beneficiary's medical costs. In addition to Medicare Parts A and B, seniors have the opportunity to buy a gap policy (Medicare Supplemental Insurance or Medigap) to cover the 20% difference in costs not paid by Original Medicare. It is important to note that Medigap policies do not offer additional benefits, they only pay the remaining 20% of costs. If Medicare pays, so does your Medigap, if Medicare denies a claim, your Medigap will not pay either. Also - you cannot buy a Medigap policy if you have Medicare Advantage.

Medigap plans are sold by private insurance companies, and they can only sell you a "standardized" Medigap policy. There are 12 different policy types to

choose from. Each policy has a different set of standardized benefits covering Part A and B deductibles, coinsurances, copayments and in some cases foreign travel. To find out about the different Medigap types go to www.Medicare.gov:

- At the top of the page click on 'Health & Drug Plans'
- Under 'Find & Compare' click on 'Find a Medicare Supplement Insurance (Medigap) policy'
- Do not enter your Zip Code
- To the right of 'Step 1' click on 'See benefits of each plan'

It's important to compare Medigap policies at different insurance companies because monthly premiums will vary. Generally, the only difference between Medigap policies sold by different insurance companies is the cost. The

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premiums are based on either an 'attained age rating' or an 'issue age rating'. Attained age rating means premiums will be lower when you are younger but can go up as you get older. Issue age rating means premiums are lower for younger buyers and will not go up as you get older.

To search for Medigap Plans and premiums go to www.Medicare.gov:

- At the top of the page click on 'Health & Drug Plans'
- Under 'Find & Compare' click on 'Find a Medicare Supplement Insurance (Medigap) policy'
- Enter your Zip Code and click 'Start'
- Put in your age, sex and whether you smoke or not
- Select 'Update Prices'
- Sort through the alphabetical listings, select one of the standardized policy types to review
- Click on 'View Policies' and you will see the different insurance carriers and estimated monthly costs
- Contact the insurance carrier to get an official quote.

People who are just starting with Medicare have a Right of Guaranteed Issue period during which companies are not allowed to require a health screening or deny a beneficiary based on pre-existing conditions. If you initially opt for a Medicare Advantage plan and later decide Original Medicare with a Medigap would better suit your needs, you will have a Right of Guaranteed Issue only if you are in the first year of Medicare. However, if you try to enroll in a Medigap policy when you do not have a Right of Guaranteed Issue you may have trouble finding a plan that will accept you.

If you want to talk to someone in person, please call the New Mexico **Agging and Disability Resource Center** at **1-800-432-2080**. Ask to speak with either an options counselor or a NM **State Health Insurance Program (SHIP)** volunteer. They can help you sort out Medigap policies.

Stan
Volunteer Counselor, SHIP and SMP

SHIP & SMP Program Volunteering: Learn more about Medicare and ways to better serve the public by contacting us about available SHIP SMP volunteer opportunities at **1-800-432-2080. We provide training on Medicare content, and can work with your schedule. We can serve more people together!**



SHIP

State Health Insurance
Assistance Program

