

10 Things You Should Know About Buying A Medigap Policy

1. Know Why You Might Need a Medigap Policy

A Medigap policy is health insurance sold by private insurance companies to fill the “gaps” in Original Medicare Plan coverage. Medigap policies help pay some of the health care costs that the Original Medicare Plan does not cover. If you are in the Original Medicare Plan and have a Medigap policy, then Medicare and your Medigap policy will each pay their share of covered health care costs.

2. Some Examples of “Gaps” in Medicare

You may want to buy a Medigap policy because Medicare does not pay for all of your health care. There are “gaps” or “out-of-pocket” costs that you must pay in the Original Medicare Plan. Some examples of costs not covered are hospital stays, skilled nursing facility stays, blood, Medicare Part B yearly deductible and Medicare Part B covered services.

3. Some Examples of Care Not Covered by Medigap

Long-term care, Vision or dental care, hearing aids and private-duty nursing are things that a Medigap policy will not cover.

4. Eligibility Requirements

To buy a Medigap policy, you generally must have Medicare Part A and Part B. You are guaranteed the right to buy a Medigap policy if you are in your Medigap open enrollment period or covered under a Medigap protection. You might **not** be able to buy a Medigap policy if you are in a Medicare Advantage Plan, have Medicaid, already have a Medigap policy or are under the age of 65 and you are disabled or have End-Stage Renal Disease.

5. Pre-Existing Conditions

A pre-existing condition is a health problem you had before the date a new insurance policy starts. In some cases, if you have a health problem before your Medigap policy started, a Medigap insurance company can refuse to cover that health problem for up to six months. This is called a “pre-existing condition waiting period.” The insurance company can only use this kind of waiting period if your health problem was diagnosed or treated during the six months before a Medigap policy started.

6. In Most Cases, You Cannot Be Dropped From Medigap

If you bought your policy after 1990, the policy is guaranteed renewable. This means your insurance company can drop you only if you stop paying your premium, you are not truthful about something under the policy or the insurance company goes bankrupt. Insurance companies in some states may be able to drop

you if you bought your policy before 1990. If this happens, you have the right to buy another Medigap policy.

7. Shop Around for the Best Medigap Policy

Look for a Medigap policy that you can afford and that gives you the coverage you need most. As you shop for a Medigap policy, keep in mind different insurance companies may charge different amounts for exactly the same Medigap policy, and not all insurance companies offer all of the Medigap policies.

8. Make Sure the Insurance Company is Reliable

To help you find out if an insurance company is reliable, you can take the following actions: Stop before you sign anything, call your state insurance department and confirm that the insurance company is licensed to do business in your state. You can also call the State Health Insurance Assistance Program in your state. These programs can give you free help with choosing a Medigap policy.

9. Watch Out for Illegal Insurance Practices

You should know it is illegal for anyone to pressure you into buying a Medigap policy, lie or mislead you to switch to another company or sell you a second Medigap policy when they know that you already have one. It is also illegal to sell you a policy that cannot be sold in your state.

10. Understand Your Medigap Rights and Protections

You need to know that under Federal law, you have rights and protections regarding your Medigap coverage. These include your right to buy Medigap coverage, protections if you lose or drop your health care and your protections for people with Medicare under the age of 65. Call your State Health Insurance Assistance Program to better understand these rights and protections.