

# MEDICARE

Building Coverage



Ready-Agent™  
A PROGRAM BY NEISHLOSS AND FLEMING

 NEISHLOSS &  
FLEMING, LLC

AN INTEGRITY COMPANY

## Medicare: Building Coverage

As we know, Medicare does not cover all medical expenses that may occur during the year. Some examples include:

- Part A deductible
- Part B deductible
- Skilled Nursing Facility coinsurance
- Part B coinsurance

These amounts – which are uncapped under Original Medicare – could present consumers with an unmanageable amount of cost-sharing in a given year.

## Options

That begs the question:

How can consumers go about covering the amounts that Medicare doesn't cover?

There are a couple of options, and each has its positives and negatives.



# Medicare: Why Clients Need More Coverage

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## Option 1 - "Self-Insure"

- While an option, the consumer is choosing not to address the gaps in coverage with Original Medicare
- This option does not cost the consumer any additional premium dollars, nor does it potentially limit their access to physicians
- This choice, however, leaves the consumer open to limitless cost-sharing beyond what Medicare will provide for covered services

## Option 2 - Medicare Supplement

- Medicare Supplement, or MediGap, works together with Original Medicare to specifically target the cost-sharing holes where consumers may be exposed
- There are several Medigap plan options, which provide a consumer with cost-certainty and limited (or no) cost-sharing in exchange for higher monthly premiums
- This option still enables consumers to utilize any doctor or hospital that accepts Original Medicare

## Option 3 - Medicare Advantage

- Medicare Advantage, or Medicare part C, takes the place of Original Medicare to offer cost-containment while utilizing projectable copays for services
- These plans operate on a cost sharing model, requiring copays for most medical services in exchange for a smaller (or \$0) monthly plan premium
- Depending on the plan selected, access to doctors, specialists, and hospitals may be restricted to a network of participating providers

## Summary

The choices a consumer may have to building coverage onto Original Medicare:

Do nothing:

- Take the risk of exposure for significant-uncapped expenses, but incur no additional premium or provider limitations

Medicare Supplement:

- Pay a higher monthly premium, but significantly reduce out-of-pocket exposure with no limitations to provider access

Medicare Advantage:

- Pay a low (or \$0) monthly premium for capped out-of-pocket exposure in exchange for a provider network