

MEDICARE SUPPLEMENT

Standardized Plans



Ready-Agent™
A PROGRAM BY NEISHLOSS AND FLEMING

**NEISHLOSS &
FLEMING, LLC**

AN INTEGRITY COMPANY

What are Medicare Supplements?

There are many kinds of Medicare Supplement Plans – each designated with a Plan Letter:

- Available plans include A, B, C, D, F, G, K, L, M, & N
- Not all plans are available in all states

The benefits of each kind of plan are standardized, meaning that one carrier's Plan G will provide the same coverage as another's Plan G, etc.

- MA, MN, and WI plans are standardized differently

A B C D F G H K L M & N

Plan Coverage

Each plan covers a different amount of Medicare Part A and B cost sharing.

Cost sharing includes:

- Part A and B coinsurance
- The first 3 pints of blood per benefit period
- Part A hospice care coinsurance
- Skilled Nursing Facility coinsurance
- Part A and B deductibles
- Part B excess charges (see next slide)
- Foreign travel emergency coverage
- Preventative care Part B coinsurance

Plans F and C

Plan F is the most comprehensive Medicare Supplement:

- Covers all Part A and B cost sharing.
- Enrollees pay highest premium of any supplement.
- Comprises approximately 80% of the market.

Plan C covers all that F covers except Medicare Part B excess charges:

- Part B excess charges are an additional 15% of the Medicare allowable amount
 - Some states do not permit excess charges:
 - CT, MA, MN, NY, OH, PA, RI, and VT

Plans F and C

The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) changes accessibility to Plans C and F and divides individuals into two groups

- Consumers who are eligible for Medicare prior to 1/1/2020
- Consumers who are eligible for Medicare after 1/1/2020
 - MACRA deems these seniors “Newly Eligible”

Newly Eligible seniors are not eligible to purchase a Plan F or Plan C, but have access to a new High-Deductible Plan G

Plans G and D

- Plan G covers all that Plan F covers except the Medicare Part B deductible.
- Plan D covers all that Plan F covers except the Medicare Part B deductible and Part B excess charges.

Plans M and N

These plans operate similar to a Plan D, as they do not cover Medicare Part B deductible and Part B excess charges

They also include some other minimal cost sharing:

- Plan M will only cover 50% of the Medicare Part A deductible
- Plan N pays Part B coinsurance, except for some copayments
 - Up to \$20 for some office visits
 - Up to a \$50 copayment for emergency room visits where the patient is not admitted

Plans K and L

These plans are different from the other plans because they include a higher level of cost sharing.

- Both Plan K and Plan L cover Part A coinsurance and Part B preventative care coinsurance.
- Both Plan K and Plan L **DO NOT** cover Part B deductible, Part B excess charges or Foreign Travel emergency coverage.

Plans K and L

Plan K covers 50% of the following:

- Medicare Part B copayment
- 1st three pints of blood
- Part A hospice care coinsurance
- Skilled Nursing care coinsurance
- Part A deductible
- Plan K includes an Out-of-Pocket Maximum amount of \$5,880

Plan L covers 75% of the following:

- Medicare Part B copayment
- 1st three pints of blood
- Part A hospice care coinsurance
- Skilled Nursing care coinsurance
- Part A deductible
- Plan L includes an Out-of-Pocket Maximum amount of \$2,940

Plans A and B

Plan A covers the following:

- Part A coinsurance
- Part B coinsurance
- 1st three pints of blood
- Part A hospice care coinsurance
- Medicare preventative care
Part B coinsurance

Plan B covers the following:

- Part A coinsurance
- Part B coinsurance
- 1st three pints of blood
- Part A hospice care coinsurance
- Medicare preventative care Part B coinsurance
- Part A deductible

*Most agents will not sell these plans because they do not cover Skilled Nursing Facility coinsurance

If Plans are Standardized, What's the Difference?

Although plan benefits are standardized, differences exist depending on the carrier.

- Beneficiaries will immediately see that the price difference can be considerable.
- The greatest difference between these plans is generally the level of medical underwriting.
- Carriers can ask a varying number of questions to determine both eligibility and premiums.
- Agents should do a full Needs Analysis with each client to determine eligibility and advise of any premium increases due to medical issues.