

Medicare Supplement Insurance Overview

A Medicare Supplement insurance policy (aka Medigap) is private health insurance designed to supplement Original Medicare. It pays some of the health care costs that Medicare doesn't cover such as copayments and deductibles. Medigap policies may also cover some services not covered by Medicare. If you are enrolled in Medicare and you have a Medigap policy, Medicare will pay its share of their approved amount for a covered health care costs. Then your Medigap policy pays its share. Every Medigap policy must follow State and Federal laws designed to protect you, and it must be clearly identified as "Medicare Supplement Insurance." Insurance companies can only sell a "standardized" plan identified by letters A through N. All standardized policies must offer the same basic benefits, no matter which insurance company sells it. Cost and service are the only differences between policies sold by different insurance companies.

Policies purchased before January 1, 2006 may include prescription drug coverage. If you have a Medigap policy without prescription drug coverage, you can join a Medicare Prescription Drug Plan (Part D) without changing your Medigap policy. Information about Part D plans can be found on the federal government website at www.medicare.gov or call 1-800-MEDICARE (1-800-633-4227).

Medicare Select Policies

Medicare Select policies offer the same basic coverage as the standard plans; however, the insurance company normally requires participants to use a specific network of health care providers and/or facilities. The premium for a Medicare Select policy is usually lower than a traditional Medicare Supplement insurance policy.

Except for emergency care, the Medicare Select policy will deny payment or pay less than the full benefit if you go outside the network for services. Medicare, however, will still pay its share of approved charges in such situation.

Medicare Advantage Plans

Medicare Advantage Plans (Medicare Part C) include the following:

- **Preferred Provider Organization (PPO) Plans:** PPO's are similar to HMO's; however, the beneficiaries do not need referrals to see specialist providers outside the network, and they can see any doctor or provider that accepts Medicare. PPO's limit the maximum amount that members pay for care outside the network.
- **Health Maintenance Organization (HMO) Plans:** HMO plans consist of a network of approved hospitals, doctors and other healthcare professionals who agree to provide services for a set monthly payment from Medicare. Emergency care is covered regardless of whether or not you obtain services in or out of network.
- **Private Fee-for-Service (PFFS) Plans:** This type of plan offers a Medicare approved private insurance plan. Medicare pays the plan for Medicare approved services while the Private-Fee-for-Service plan determines, up to a limit, how much the care recipient will pay for covered services. Beneficiaries can obtain services from any Medicare-approved provider who, before treating you, agrees to accept the Medicare PFFS's terms and conditions of payment.
- **Special Needs Plans (SNP):** SNPs provide more focused health care for people with specific conditions. A person who joins one of these plans gets healthcare services as well as more focused care to manage a specific disease or condition.

To be eligible for any of the Medicare Advantage Plans, a beneficiary must be enrolled in both Medicare Part A and B. If you are enrolled in a Medicare Advantage Plan, Medicare services are covered through the plan, not through the original Medicare. Medicare Advantage plans may include prescription drug benefits.

Low Income Assistance

Not everyone needs Medicare Supplement insurance. Individuals may have other options. For example, if an individual's income falls below a certain level, they may qualify for full Medicaid benefits and therefore will not need a Medicare Supplement insurance policy.

In addition to the Original Medicare program, the state Medicaid offices offer two other programs to help certain low income Medicare beneficiaries meet health care costs:

- The **Qualified Medicare Beneficiary (QMB)** program assists individuals with income at or below the national poverty level. This program pays Medicare's premiums, deductibles and co-insurance amounts for certain elderly and disabled persons who qualify for Medicare Part A.

- The **Specified Low Income Medicare Beneficiary (SLIMB)** program assists persons entitled to Medicare Part A whose incomes are slightly higher than the national poverty level. If you qualify for assistance under the SLIMB, the state will pay your Medicare Part B premium.

To see if you qualify, visit www.dcf.state.fl.us/ess/ or call **1-866-762-2237**.

Medicare Supplement Insurance Tips

- [Verify before you buy!!!!](#) Contact us to verify the license of the agent and the insurance company before you sign the application for a policy.
- [Medicare Supplement Insurance Guide](#) This guide is located under the Health Guides area and is an excellent tool if you are shopping for an insurance policy. It will help you understand the coverage and your rights and responsibilities.
- [Medicare Supplement Sample Rate Search!](#) The Office of Insurance Regulation has established this Web site to assist you in purchasing a Medicare Supplement policy.
- [Review your policy carefully!!!!](#) Understand your deductible and coinsurance provisions. Understand your responsibility if you need a referral to see a specialist. Also, understand your rights to file an appeal or grievance if a claim is denied that you feel should be paid.
- [Individuals have a 30-day free look provision.](#) You have the right to take up to 30 days to review you policy and decide if you want to keep it or return it for a full refund.
- [A Medicare Supplement policy must include a grace period provision.](#) The grace period is 30 days for a Medicare Supplement insurance policy.
- [You do not need more than one Medicare Supplement policy.](#)

Want more information?

Visit the [Medicare and Medicaid portion of the Insurance Library](#) or call **1-877-MY-FL-CFO (1-877-693-5236)**