

Agent
Review



AGENT REVIEW'S

GUIDE TO MEDICARE INSURANCE



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MEDICARE SUPPLEMENTS

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Private companies sell a Medicare supplement—also referred to as Medigap insurance—. It covers the deductibles and co-pays that are mandatory, once you've turned 65, for Part A and Part B coverage. There are 8 things to know about these policies:^[1]

1. You must have Medicare Part A & Part B Coverage.
2. Medigap policies are not necessary if you choose a Medicare Advantage Plan because there is little, if any, co-insurance or deductibles.
3. You pay the private insurance



company a monthly premium in addition to the monthly Part B premium that you pay to Medicare.

4. A Medigap policy only covers one person. If you and your spouse both want Medigap coverage, you'll each have to buy separate policies.
5. You can buy a Medigap policy from any insurance company that's licensed in your state to sell one.
6. Any standardized Medigap policy is guaranteed renewable even if you have health problems. This means the insurance company can't cancel your Medigap policy as long as you pay the premium
7. Some Medigap policies sold in the past cover prescription drugs, but Medigap policies sold after January 1, 2006 aren't allowed to include prescription drug coverage. If you want prescription drug coverage, you can join a separate Medicare Prescription Drug Program.

What is Medicare Part C?

Part C coverage (also referred to as Medicare Advantage) is also offered by private insurers but the scope of coverage is quite different. Advantage plans are promoted as saving consumers the expense of purchasing a Medigap policy. In exchange for saving the premiums consumers are directed to doctors

and hospitals that are within the insurers "network". That raises the possibility that your doctor and or hospital may not be available. You can go outside the network but there are substantial deductibles that must be met. This type of plan is generally only effective in the state where you live.

Is it better to buy direct or from an agent?

Many if not most direct to consumer present Medigap or Advantage plans as straightforward proposition. Experience shows that they may not be. It is therefore advisable to seek the advise of an agent who can put the product in the right financial perspective for you.

[1] <http://www.medicare.gov/supplement-other-insurance/medigap/whats-medigap.html>



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