High Deductible Plan G â?? Considerations and Cautions

Description

Updated for 2026
The Medigap plan known as high deductible G, or HDG, is a relatively new option for Medicare beneficiaries. High-Deductible Plan G is one option within the broader group of standardized Medigap plans. The hdG is a relatively new option and one that some companies are aggressively marketing. There are some definite plusses about the high deductible Plan G; however, there are also some things you should be aware of if considering this plan.

How Does High Deductible Plan G Work?

High Deductible Plan G works very similarly to other Medigap plans. Like other Medigap options, the plan works with regular Medicare Part A and B and fills in the gaps in Medicare. There are no networks on HDG or any other Medigap plans â?? you can use the plan at any doctor or hospital that accepts Medicare.

High deductible Plan G has a deductible of $2950 (for 2026 â?? this deductible changes each year). What this means is that, when you use medical services, Medicare will pay their 80%, and you will be responsible for the other 20% until you meet the $2950 deductible. In other words, you will pay 20% of Medicare-approved charges up to $2950 per calendar year.

After you have paid out $2950 in a calendar year, your HDG plan will act exactly like a â??regularâ?• Plan G. The plan will pay what Medicare does not pay (the 20%). HDG, like standard Plan G, does not cover the Medicare Part B deductible ($283/year in 2026); however, that deductible goes towards the larger HDG deductible so you would have already met it by the time you reach the $2950 HDG deductible.

The deductible for HDG resets each calendar year, so you would have to start over with meeting the deductible each year. High deductible Plan G, just like any other Medigap plan, can never be cancelled for reasons other than non-payment of premium. The plan is â??guaranteed renewableâ?? and does not have to be renewed annually, nor does it have any sort of annual renewal period.

What are the Advantages of High Deductible Plan G?

The appealing thing about the HDG is the premium. It is considerably lower in premium than the traditional Medigap plans â?? usually about half of Plan N rates and up to $100/mo lower than Plan G rates (rates vary considerably depending on the state and your age). That is the most significant advantage of HDG â?? it can save you a good bit of money off of the premiums on other Medigap options.

Additionally, it is easy to use, just as any Medigap plan. You donâ??t have to file claims or worry about whether claims will be processed/paid. The Medicare â??crossoverâ?• ensures that everything will work seamlessly, once you have met the deductible.

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Medigap rates vary considerably from one area to the next (Why Do Medigap Premiums Vary?), and the premiums are determined by other factors like gender and age. But to give you a general idea, weâ??ve included current (as of March 2026) High Deductible Plan G rates for the lowest premium company in a few different areas

- Bradenton, FL = $67.77/mo
- San Antonio, TX = $31.82/mo
- Charlotte, NC = $30.60/mo
- San Francisco, CA = $38.12/mo
- Denver, CO =$46.61/mo
- Lansing, MI = $34.15/mo
- Richmond, VA = $35.82/mo
- Harrisburg, PA = $34.47/mo
- Topeka, KS = $29.39/mo

*Note: Rates are subject to change at any time. They do not go by the calendar year and can change from month to month. Thereâ??s no â??enrollment periodâ?• for Medigap plans other than the one when you first start on Medicare. For current Medigap rates specific to your area and situation, get Medigap rates by email or call us at 877.506.3378.

What Are the Downsides of High Deductible Plan G?

While High Deductible Plan G is very appealing in terms of monthly premium, there are some factors to be aware of if you are considering this plan. First and foremost, the plan does not pay anything until you have met the initial HDG deductible. You are responsible for any and all out of pocket costs that arenâ??t covered by Medicare (the 20%).

Second, and maybe most importantly, you do always have to â??qualify medicallyâ?? to switch from one Medigap plan to another after your initial open enrollment period, which is when you first turn 65 or start on Medicare (NOTE: There are a few states that have unique annual open enrollment periods). So, while HDG may be a good fit for someone who has few health problems or doctor visits when they turn 65, it is important to think about your initial Medigap selection on a long-term basis since there is no guarantee that you can change plans in the future. Weekly, we talk to someone who is trying to â??upgradeâ?? their Medicare coverage from an HDF or Plan N or Advantage plan but is unable to do so due to some health condition or ongoing medical treatment.

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Lastly, you should be aware that the deductible on the high deductible Plan G changes every year. In the last six years, it has gone from $2200 to $2950, a 34% increase in that time period. It is not likely that this trend of the increasing deductible will lessen over time.

This is not to say that High Deductible Plan G is not a good option in some situations â?? it is. However, it is crucial to think through and be aware of the future implications of selecting HDG and be okay with it on a long-term basis.

How Do I Enroll in a HDG?

If you do decide that a High Deductible Plan G is the right plan for you, you should definitely compare rates from different insurers rather than jumping at the first offer on this plan. There are fewer companies that offer this plan than some of other plans. Some states only have 3-4 companies that do this plan, as it historically has not been a plan with a large market share (between 3-4% historically by most reports). That said, you should compare multiple options since rates can vary considerably on Medigap plans. If you want a list of plans and rates by email, you can contact us through our website or by phone.

Once you pick a HDG, you can enroll online or by phone through us or through another broker like us (Why Use a Broker).

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65Medicare.org is a leading, independent Medicare insurance agency for people turning 65 and going on Medicare. If you have any questions about this information, you can contact us online or call us at 877.506.3378.

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