How to Choose a Medigap Plan

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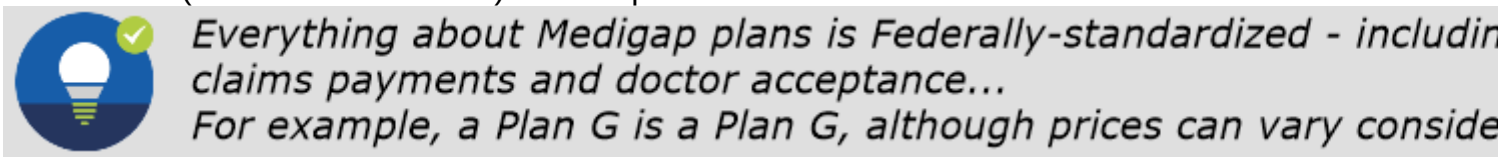


choose a Medigap plan?

Choosing a Medigap plan is one of the most important decisions youâ??ll make as you approach your 65th birthday. Thereâ??s certainly a lot of information out there about how to choose a Medigap plan. Your mailbox will be overloaded, your phone will ring off the hook, and your friends will offer their (sometimes unsolicited!) advice. It can seem a little overwhelming. However, the process of choosing the right plan is not as difficult as it may initially seem.

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First and foremost, it is important to understand the standardization of plans. Since 1992, the Federal government has set forth the standardized Medigap plans chart that all companies offering plans must follow. This means that a Plan G from one company will provide the exact same benefits, work the same way, can be used the same places and is completely identical to a Plan G from a different company (some people refer to it as Medicare G). Understanding this is foundational to choosing a Medigap plan and puts you ahead of many people that have had Medicare for years and are paying â??extraâ?• (with no extra benefits) for their plan.



Although the plans are standardized, prices are definitely not! That is the next thing to understand when comparing and choosing a Medigap policy. In fact, prices can vary by as much as 30-50% for the exact same coverage. Remember, there are no other differences. Certain plans arenâ??t more difficult to use than others â?? any Medigap plan is accepted anywhere that takes Medicare nationwide. All companies pay claims through the Medicare â??crossoverâ?• system, so thereâ??s no variation there either.


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SECTION 4

Steps to Buying a Medigap Policy

Step-by-step guide to buying a Medigap policy

Buying a **Medigap policy** is an important decision. Only you can decide if a Medigap policy is the way for you to supplement Original Medicare coverage and which Medigap policy to choose. Shop carefully. Compare available Medigap policies to see which one meets your needs. As you shop for a Medigap policy, keep in mind that different insurance companies may charge different amounts for exactly the same Medigap policy, and not all insurance companies offer all of the Medigap policies.

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Once you have the basic understanding of the two above facts â?? plans are standardized, prices are not â?? thatâ??s the first step in knowing how to choose a Medigap plan. From there, you can easily compare plans in an informed way to make a prudent choice of the best Medigap plan for your situation.

The first step is picking a plan coverage level that you are comfortable with. Although your current health and medical needs should play into that choice, you should also make this choice with a long-range view in mind as well. In most states (exceptions: CA, CT, MD, MO, NY, OR, and WA), you have to â??qualify medicallyâ?• to make a change in the future after this initial 6-month open enrollment window for picking a plan. This just means that if you choose the lowest level of coverage initially, and then develop a pre-existing condition, you may not be able to move to a higher level of coverage later. Medigap plans were NOT a part of the Affordable Care Act, which eliminated consideration of â??pre-existing conditionsâ?• on under-65 health plans.

Once you have selected a coverage level that you are comfortable with, you should compare Medigap rates for that plan. Or, you may wish to compare rates on several of the plans (i.e. Plan G and Plan N) to see what the differences are in premium and how they relate to the coverage differences. Read more: What is the best Medicare Supplement?

Getting quotes for Medigap plans can send you into an endless and frustrating loop of talking to companies and Medigap. And, the rates are not as readily available online as they should be. Medicare.gov now has some plan and company information, but the information is not complete and not always accurate, as Medicare does not have oversight of Medigap plans.

It is always best to get the information about Medigap rates from an independent broker. A broker does not work for a specific insurance company â?? on the contrary, they can provide a listing of plans for all the companies that do business in your area so you can compare very easily and in an unbiased way (Why Use a Broker).



Whether you use us or someone else, an independent broker shoul
from all Medigap plans for your area, as well as historical rate infor
company financial strength ratings.

Once you have the rate information, you can make an informed choice. In addition to the premium, you should also look at the track record of the insurance company â?? company rating, historical stability of the rates, etc â?? which you should also be able to obtain from a well-informed broker or agency.

If you have any questions about this information or would like additional information on how to choose a Medigap plan, please do not hesitate to contact us or request Medigap quotes.

Our site also contains more specific information about the plans, which you can review here:

- Medigap Plan F
- Medigap Plan G
- Medigap Plan N
- How Much Do Medigap Premiums Increase Each Year?
- Do All Doctors Accept Medicare Supplement Plans?
- Other Medigap plans

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