

# 2021

## Guide to choosing a Medigap Policy



**This official government guide has important information about:**

- Medicare Supplement Insurance (Medigap)
- What Medigap policies cover
- Your rights to buy a Medigap policy
- How to buy a Medigap policy



Developed jointly by the Centers for Medicare & Medicaid Services (CMS)  
and the National Association of Insurance Commissioners (NAIC)

## **Who should read this guide?**

If you're thinking about buying a Medicare Supplement Insurance (Medigap) policy or you already have one, this guide can help you understand how it works.

## **Important information about this guide**

The information in this guide describes the Medicare Program at the time this guide was printed. Changes may occur after printing. Visit [Medicare.gov](https://www.medicare.gov), or call 1-800-MEDICARE (1-800-633-4227) to get the most current information. TTY users can call 1-877-486-2048.

The “2021 Guide to Choosing a Medigap Policy” isn’t a legal document. Official Medicare Program legal guidance is contained in the relevant statutes, regulations, and rulings.

This product was produced at U.S. taxpayer expense.

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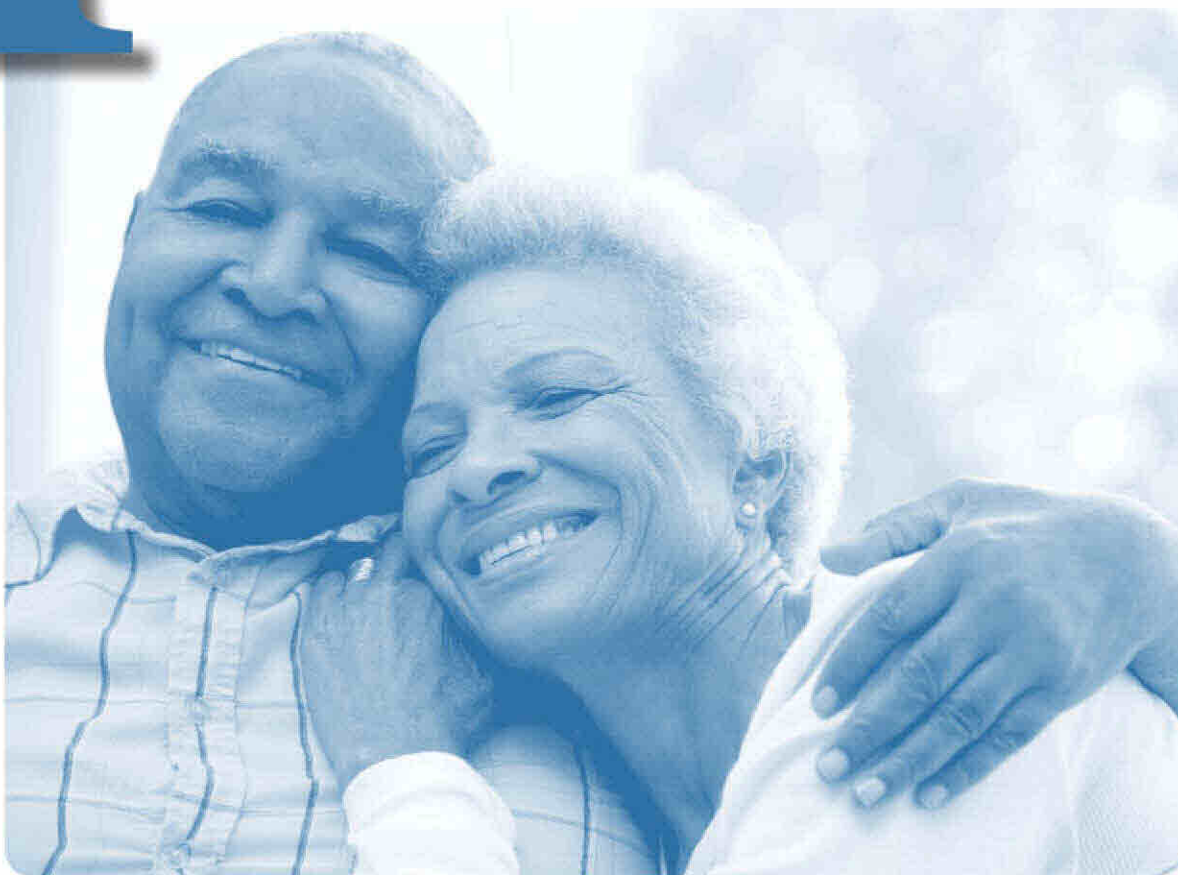
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## SECTION

# Medicare Basics

# 1



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are defined on  
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## What's Medicare?

Medicare is health insurance for people 65 or older, certain people under 65 with disabilities, and people of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

## The different parts of Medicare

The different parts of Medicare help cover specific services.



### Part A (Hospital Insurance)

Helps cover:

- Inpatient care in hospitals
- Skilled nursing facility care
- Hospice care
- Home health care



### Part B (Medical Insurance)

Helps cover:

- Services from doctors and other health care providers
- Outpatient care
- Home health care
- Durable medical equipment (like wheelchairs, walkers, hospital beds, and other equipment)
- Many preventive services (like screenings, shots or vaccines, and yearly “Wellness” visits)



### Part D (Drug coverage)

Helps cover cost of prescription drugs (including many recommended shots or vaccines).

Plans that offer Medicare drug coverage are run by private insurance companies that follow rules set by Medicare.

## Your Medicare coverage options

When you first enroll in Medicare and during certain times of the year, you can choose how you get your Medicare coverage. There are 2 main ways to get Medicare:

### Original Medicare

- Includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).
- If you want drug coverage, you can join a separate Medicare drug plan.
- To help pay your out-of-pocket costs in Original Medicare (like your 20% coinsurance), you can also buy supplemental coverage.
- Can use any doctor or hospital that takes Medicare, anywhere in the U.S.

#### Includes:

Part A



Part B



#### You can add:

Part D



#### You can also add:

Supplemental coverage



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a former employer or union, or Medicaid.

### Medicare Advantage (also known as Part C)

- An “all in one” alternative to Original Medicare. These “bundled” plans include Part A, Part B, and usually Part D.
- Plans may have lower out-of-pocket costs than Original Medicare.
- In most cases, you’ll need to use doctors who are in the plan’s network.
- Most plans offer extra benefits that Original Medicare doesn’t cover— like vision, hearing, dental, and more.

#### Includes:

Part A



Part B



#### Most plans include:

Part D



Extra benefits

#### Some plans also include:

Lower out-of-pocket-costs

## Medicare & the Health Insurance Marketplace<sup>®1</sup>

If you have coverage through an individual Marketplace plan (not through an employer), you should enroll in Medicare during your Initial Enrollment Period to avoid the risk of a delay in Medicare coverage and the possibility of a Medicare late enrollment penalty. For most people, their Initial Enrollment Period is the 7-month period that starts 3 months before the month they turn 65, includes the month they turn 65, and ends 3 months after the month they turn 65.

You can keep your Marketplace plan without penalty until your Medicare coverage starts. Once you're considered eligible for premium-free Part A, you won't qualify for help paying your Marketplace plan [premiums](#) or other costs. If you continue to get help paying your Marketplace plan premium after you have Medicare, you may have to pay back some or all of the help you got when you file your taxes.

Visit [HealthCare.gov](https://www.healthcare.gov) to find your state's Marketplace, or learn how to end your Marketplace financial help or plan to avoid a gap in coverage. You can also call the Marketplace Call Center at 1-800-318-2596. TTY users can call 1-855-889-4325.

**Note:** Medicare isn't part of the Marketplace. The Marketplace doesn't offer Medicare Supplement Insurance (Medigap) policies, Medicare Advantage Plans, or Medicare drug coverage (Part D).

## Find more information about Medicare

To learn more about Medicare:

- Visit [Medicare.gov](https://www.medicare.gov).
- Look at your “Medicare & You” handbook.
- Get free, personalized counseling from your [State Health Insurance Assistance Program \(SHIP\)](#). (See pages 47– 48.)
- Call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.
- Find and compare health and drug plans at [Medicare.gov/plan-compare](https://www.medicare.gov/plan-compare).

<sup>1</sup> “Health Insurance Marketplace<sup>®</sup>” is a registered trademark of the U.S. Department of Health & Human Services.