

Shopping for Medicare Supplement Insurance



Make it easier:

Use the worksheet on page 21 to record your findings as you shop for Medicare supplement insurance.

Price Comparison: Questions to Ask

What are the premium differences between plans?

In deciding which standard plan to choose, you will find tradeoffs of additional benefits for additional premium. Which balance best suits your needs and your budget?

What are the premium differences for the same plan?

Premium amounts for the same plan can vary significantly.

Does the premium increase because of your age?

Normal increases occur because of company losses and changes in Medicare deductibles and coinsurance. Some companies also base premiums on age. Check to see if the premium is based on your age at the time the policy is issued or if it goes up as you get older. Compare premiums for your current age and for at least the next 10 years. A bargain today may be a burden later.

Does the company sell through an agent or by mail?

An agent can help you when completing your application and with problems later. If you have companies with which you prefer to do business, check the yellow pages for local agents who represent those companies.

Is a service office conveniently located?

A local agent with a good reputation, preferably one you know and trust, is more likely to take a personal interest in providing you good service.

Is a toll-free telephone number available for questions?

This is especially important if you don't have a local agent.

What kind of letter grade does the company have from a financial rating service?

The financial stability of insurance companies is evaluated by a number of different rating services such as A.M. Best, Moody, and Standard and Poor. The rating does not tell how good a policy is or what kind of service the company provides; it reflects only the financial stability of the company.

Crossover and Assigned Claims

If the company does not have a contract, crossover is still available if you:

- Use a Medicare participating provider.
- Make sure the provider includes the company's Medigap number on the claim form and checks a box for the claim to be paid directly to the provider. This is not automatic. The patient must request that the doctor put the necessary information on claim forms.

Is crossover claims filing available so Medicare sends claims directly to your insurance company?

Some companies have "crossover" contracts with Medicare. After Medicare pays its share of the bill, it will send claims directly to the insurance company for you.

Is a waiting period required for pre-existing conditions?

Some policies have waiting periods for pre-existing conditions. If you have a pre-existing condition, you may want to look for a policy that does not require a waiting period before benefits are paid for that condition.