

Medicare Supplemental Plans

If you are covered only by Medicare, you risk being responsible for a \$876 deductible when you are hospitalized under Part A, and a \$100 annual deductible plus 20% co-pay for physicians and other skilled services under Part B. Therefore, many people on Medicare purchase a “Medigap” policy, also known as a Standardized Medicare Supplemental Plan. The information below refers to individual plans, not plans from a retiree’s former employer.

Comparing Medigap Plans...

Plans A and B:

If you’re looking for a budget plan, Plan A or B offer the least expensive coverage, making the most sense for people with very limited incomes. They also make sense for people of substantial means who can afford to self-insure for some healthcare expenses. The only difference between Plan A and Plan B is coverage for the \$876 Medicare Part A deductible. Plan A coverage makes you responsible for the \$876 for first day of hospitalization, as well as a \$100 deductible. Plan B picks up the first day hospitalization deductible of \$876. Low-income seniors will probably be better off with the known extra cost of Plan B. New York State requires every company to offer both Plan A and Plan B.

Plans C, D, and E:

Offer more coverage than Plans A and B and may be appropriate if your doctors accept Medicare assignment. Plan D makes sense for those with modest income who anticipate a possible need for At-home Recovery benefit. Plan E makes sense for people who are basically healthy and who want preventative health services.

Plans F and G:

These are intermediate cost plans that may be appropriate if your doctors do not accept Medicare assignment. Compare the extra amount charged by your doctors to the extra cost of the plan. (NY doctors may charge only 5% above the Medicare-approved rate.) Plan G offers extra home care coverage. Because only 80% of excess physician charges are covered, you will pay for some services if your physician does not accept Medicare assignment.

Plans H and I:

These are the only plans that offer prescription drug coverage, so are likely to be more expensive. If you pay more than \$2500 per year but less than \$6000 per year for prescription drugs, Plans H or I may provide the most cost-effective coverage. Plan I also includes at-home recovery and Part B excess coverage.

Plan J is not available in New York State, and so is not included in the chart below.

(source: United Health Care, Inc.)

Standardized Medicare Supplement Monthly Premiums for 2004

Carrier Name	Plan A	Plan B	Plan C	Plan D	Plan E	Plan F	Plan G	Plan H	Plan I
American Family Life	\$107.00	157.05	184.80	177.30	182.85	216.80	202.90	-	-
American Progressive	106.17	153.77	116.69	178.25	174.68	205.11	185.39	-	-
BC/BS of WNY	92.90	124.75	148.74	-	-	-	-	160.35	-
First United American	115.00	174.00	203.00	189.00	-	207.00	192.00	-	-
Group Health Incorporated	107.18	129.93	153.88	-	-	-	-	-	230.27
Mutual of Omaha	112.71	170.12	-	-	-	178.94	-	-	-
State Farm Mutual Auto	118.83	159.63	176.35	-	-	203.95	-	-	-
United Healthcare Insur. (AARP Prog)	77.25	108.50	122.75	115.50	115.50	123.50	116.25	193.75	195.50

Notes:

If two premiums indicated, one applies to part of the region, and the other applies to the rest of the region.
 American Progressive charges a one time \$25 policy fee at issue

Source: NYSOFA

Companies Selling Standardized Medicare Supplemental Policies in Erie County:

American Family Life Assurance Co. of New York	(716) 332-3661 or 1-585-223-0490
American Progressive	(914) 278-2080
Blue Cross and Blue Shield of WNY, Inc.	(716) 884-0774 or 1800-888-0757
First United American Life Insurance Co.	(315) 451-2544
Group Health Incorporated (GHI)	1-800-624-2414
Mutual of Omaha Insurance Co.	(716) 839-0788
State Farm Insurance	Many agents – see phone book
United Health Care Insurance - AARP	1-800-523-5800

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 Erie County Department of Senior Services
 HIICAP Program – 716-858-7883