

## The Facts About Changes In Medicare Supplement Plans In 2020

*There is new legislation affecting Medicare Supplement Insurance Plans C, F, and HDF/F+ that takes effect **January 1, 2020**. Here's what you need to know.*

### Will current policyholders need to change plans or will they lose coverage?

*The short answer is NO, current policyholders will not lose their coverage in 2020, and will not need to make any changes to their coverage. There is no action they need to take. Their Medicare Supplement insurance policy is guaranteed renewable as long as premiums are paid on time.*

### Why are some Medicare Supplement insurance plans changing?

A new federal law—the *Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)*—will affect the availability of Medicare Supplement Plans effective in 2020 and thereafter that cover the Medicare Part B deductible. **Effective January 1, 2020, Plans C, F, and HDF/F+ will not be available to newly-eligible Medicare beneficiaries.**

### Who is considered a newly-eligible Medicare beneficiary under MACRA?

MACRA defines newly-eligible as anyone who either: (a) attains age 65 on or after January 1, 2020, or (b) who first becomes eligible for Medicare Part A benefits due to age, disability or end-stage renal disease (ESRD) on or after January 1, 2020.

### Facts About Policyholder Options

Again, current Policyholders will not lose their existing coverage as long as premiums are paid on time. A Policyholder with Plan C, F, or HDF/F+ with United American or Globe Life of New York may wish to convert the plan in the future to a plan that offers lesser coverage. Policyholders who convert to a plan with lesser coverage will not have to answer any health questions to complete a policy conversion (Health questions are not applicable in New York or Connecticut).

### What Medicare Supplement Plans will be available to newly-eligible Medicare beneficiaries?

For newly-eligible Medicare beneficiaries, Medicare Supplement Plans D, G, and HDG/G+ will replace Plans C, F, and HDF/F+. The only difference between Plans C and F and Plans D and G is the coverage of the Part B deductible under Plans C and F, which is eliminated for newly-eligible beneficiaries.

## What changes are made to High Deductible Plan options?

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Since Plan F High Deductible cannot be sold to newly-eligible Medicare beneficiaries because it covers the Part B Deductible, a new Plan G High Deductible has been created.

## When can the new High Deductible Plan G be sold and who can buy it?

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Once approved, Plan G High Deductible can be sold with an effective date no earlier than January 1, 2020; newly-eligible Medicare beneficiaries and current beneficiaries alike will be able to buy the new Plan G High Deductible.\*

## For High Deductible Plan G/G+, does payment of the Part B deductible count toward the plan deductible?

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While Plan HDG/G+ does not cover the Medicare Part B deductible, any Part B deductible expenses paid by the policyholder shall be considered an out-of-pocket expense toward meeting the annual Plan G high deductible.

If, in the very rare circumstance the Plan G High Deductible is met with all Part A (hospital) expenses, any subsequent Part B deductible incurred will NOT be a covered expense.

## When will “Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare” be revised to include these new changes?

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We anticipate that CMS will update the “Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare” prior to January 1, 2020.

## If an individual turns 65 before January 1, 2020, would the individual be eligible to purchase Medicare Supplement Plan C or F at such time he or she enrolls in Part B, regardless of when that happens?

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Yes, individuals who turn 65 prior to January 1, 2020, are able to purchase Medicare Supplement Plans C, F, or HDF/F+ when they are enrolled in Medicare Parts A and B, even if that is after January 1, 2020. In addition, individuals who become Medicare-eligible before January 1, 2020 based on age, disability, or ESRD status, are eligible to buy a Plan C, F, or HDF/F+ when they become enrolled in Medicare Part A and Part B.

### EXAMPLE:

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**Question:** If an individual turns 65 in November 2019 and is eligible for Medicare, but continues to work and is covered under an employer group health plan, (electing to delay their Part B enrollment until after 1/1/2020), would the individual be considered a newly-eligible Medicare beneficiary, (thus ineligible for Plans C, F, or HDF/F+), when they later decide to enroll in Part B and purchase a Medicare Supplement insurance policy?

**Answer:** No, the individual would NOT be considered newly-eligible, because they turned age 65 and were eligible for Medicare before January 1, 2020. Medicare Supplement insurance Plans C, F, and HDF/F+ will be available to the individual once they enroll in Medicare Part B, even if they enroll after 1/1/2020.

\* Plan availability may vary by state.