

Important Points to Consider Before Switching to a Medigap Plan

A Medigap plan is health insurance sold by private insurance companies to fill the “gaps” in original Medicare Plan Parts A and B coverage. These plans help pay some of the health care costs that the original Medicare Plan doesn’t cover.

Some things to consider about the AVMA GHLIT Medical Plans is that they:

- Are not limited to medical providers that accept Medicare assignment.
- Include some level of Preventive Care on all plans.
- Include a prescription drug benefit which covers the donut hole.

Important Dates to Remember

- The Initial Medicare Enrollment Period for individuals who are turning 65 is a 7-month period, which begins on the first day of the 3rd month before the month in which you turn 65, includes the month of your 65th birthday, and ends on the last day of the 3rd month after your 65th birthday. During this period, Medicare beneficiaries can enroll in Medicare Part B and a Medicare prescription drug plan. (Plan D)
- If you didn’t sign up for Part B when you first became eligible, you may be able to sign up during the General Enrollment Period, which runs from January 1 through March 31 of each year. Your Medicare Part B coverage will begin on July 1 of the year you sign up.

Important: The cost of Medicare Part B will increase 10% for each 12-month period that you were eligible for Part B but didn’t take it, except in special cases. This penalty will have to be paid as long as you have Medicare Part B.

If you choose not to enroll for Medicare Part D during the required timeframes, the federal government may impose a late enrollment penalty of 1% per month for every month you delay enrollment if there was no Creditable Coverage in place prior to electing Part D.