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WHEN BUYING A MEDIGAP POLICY, IT REALLY PAYS TO SHOP AROUND

Medigap policies that supplement Medicare's basic coverage can cost vastly different amounts, depending on the company selling the policy, according to a new study. The findings highlight the importance of shopping around before purchasing a policy.

When you first become eligible for Medicare, you may purchase a Medigap policy from a private insurer to supplement Medicare's coverage and plug some or virtually all of Medicare's coverage gaps. You can currently choose one of eight Medigap plans that are identified by letters A, B, D, G, K, L, M, and N (If you were eligible for Medicare before January 1, 2020, but not enrolled, you may also be able to purchase Plans C and F, but those plans are no longer available to people who are newly eligible for Medicare). Each plan package offers a different menu of benefits, allowing purchasers to choose the combination that is right for them. While federal law requires that insurers must offer the same benefits for each lettered plan—each plan G offered by one insurer must cover the same benefits as plan G offered by another





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insurer—insurers set their own prices for each plan. This means that the price of each plan varies considerably depending on the insurance company.

[The American Association for Medicare Supplement Insurance](#) compared costs of plans in the top 10 metro areas and found huge cost differences. Using the most popular plan—Plan G—for comparison, the association found that in Dallas the lowest price for a 65-year-old woman to purchase a plan was \$99 a month while the highest price was \$381 a month. This is a yearly difference of more than \$3,000 for the exact same plan.

The association also found that no one company consistently offered the lowest or highest price. In their study, investigators discovered that 13 different companies had either the lowest or highest price. This means you can't rely on just one company to always have the better price.

When looking for a Medigap policy, make sure to get quotes from several insurance companies. In addition, if you are going through a broker, check with two or more brokers because one broker might not represent every insurer. It can be hard work to shop around, but the price savings can be worth it.

For more information on choosing a Medigap policy, [click here](#).

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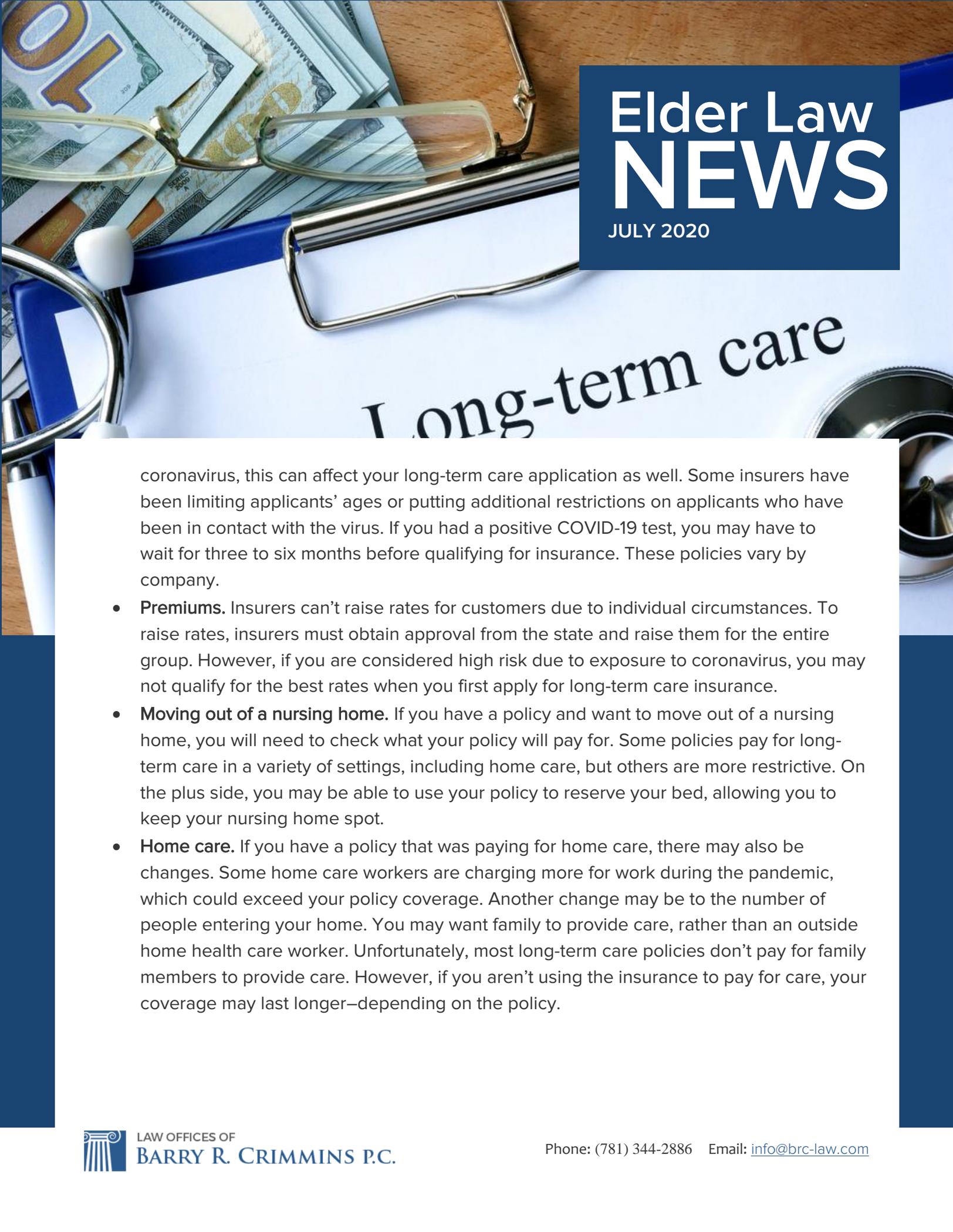
FOUR WAYS THE CORONAVIRUS PANDEMIC MAY AFFECT LONG-TERM CARE INSURANCE

The coronavirus pandemic has had a devastating impact on the elderly; particularly those in nursing homes and other long-term care facilities. This has raised questions about how the virus has influenced the costs and provision of long-term care insurance, which covers care in facilities and sometimes at home as well.

If you have a long-term care insurance policy, you may wonder how it is affected by the pandemic. If you don't have a policy, you may wonder if the pandemic will make it more difficult to get one. An article by *US News and World Report*, examines issues with long-term care insurance that have arisen in the last few months, including the following:

- **Qualifying for insurance.** It is already more difficult to qualify for long-term care insurance the older you get. Because older individuals are at a higher risk for





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coronavirus, this can affect your long-term care application as well. Some insurers have been limiting applicants' ages or putting additional restrictions on applicants who have been in contact with the virus. If you had a positive COVID-19 test, you may have to wait for three to six months before qualifying for insurance. These policies vary by company.

- **Premiums.** Insurers can't raise rates for customers due to individual circumstances. To raise rates, insurers must obtain approval from the state and raise them for the entire group. However, if you are considered high risk due to exposure to coronavirus, you may not qualify for the best rates when you first apply for long-term care insurance.
- **Moving out of a nursing home.** If you have a policy and want to move out of a nursing home, you will need to check what your policy will pay for. Some policies pay for long-term care in a variety of settings, including home care, but others are more restrictive. On the plus side, you may be able to use your policy to reserve your bed, allowing you to keep your nursing home spot.
- **Home care.** If you have a policy that was paying for home care, there may also be changes. Some home care workers are charging more for work during the pandemic, which could exceed your policy coverage. Another change may be to the number of people entering your home. You may want family to provide care, rather than an outside home health care worker. Unfortunately, most long-term care policies don't pay for family members to provide care. However, if you aren't using the insurance to pay for care, your coverage may last longer—depending on the policy.





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There are lots of uncertainties regarding long-term care, insurance, and coronavirus. To read the full *US News and World Report* article about what we do know, [click here](#).

For more information about long-term care insurance, [click here](#).

