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### The Medicare Supplement RIDERS Explained

**Part A Deductible Rider** - One of the most important riders for a policy. A Medicare inpatient hospital benefit period is 60 days, and a beneficiary can incur up to five-six benefit periods in a year. The Part A rider pays the Part A deductible of \$1216 per benefit period (for the year 2014). The amount of the Part A deductible can change each year. For example, if you were admitted into the hospital June 1<sup>st</sup> and did not purchase a Medicare Supplement with this optional rider, you would have to pay the \$1216 Part A deductible. If you were discharged and readmitted within 60 days you would not have to pay an additional \$1216. However, if you were discharged and readmitted on Sept 1<sup>st</sup> (which is beyond 60 days), you would have to pay another \$1216 Part A deductible. The Medicare Supplement will pay this for you if you purchase the Part A Deductible Rider.

**Medicare Part B Deductible Rider** - Another optional rider is the Part B Deductible rider, which pays the Part B deductible of \$147 for 2014. For example, if you have a doctor appointment in January, without this rider you would have to pay the \$147 Part B deductible before your Medicare Supplement would pay the 20% balance after Medicare pays their 80% of Part B approved amounts. With the Part B Deductible rider, the supplement will pay the \$147 Part B deductible for you. The amount of the deductible can change each year.

**Wisconsin Medicare Part B Excess Charges** - A doctor may accept Medicare, but might not accept Medicare *assignment*, the amount that Medicare will approve to pay for any particular service. If a doctor doesn't accept Medicare Assignment, he is allowed to charge up to 15% more than what Medicare will approved amount for services, (The Medicare Limiting Amount). Medicare will only pay the 80% of the approved amount and the supplement will already cover the 20% to the full Medicare approved amount. The Part B Excess Charges Rider will cover the difference between the excess charge and what Medicare has approved as the full payment amount.

**Wisconsin Additional Home Health Care Rider** – This optional rider extends the Wisconsin Basic plan coverage from 40 home health care visits to 365 home health care visits per year. These visits are in addition to the visits that are covered by Medicare. See the Wisconsin Guide to Health Insurance for People With Medicare Publication from Office of the Commissioner of Insurance (OCI) to explain this mandated benefit.

**Wisconsin Foreign Travel Emergency Rider** – Provides up to \$50,000 lifetime of coverage for medical expenses incurred outside the United States (this includes cruise ships outside of US boundary waters), after meeting a \$250 deductible. Coverage will pay at least 80% of the billed charges for Medicare-eligible expenses for medically necessary emergency care which begins during the first 60 consecutive days outside the United States.

The following are options that *may reduce* the monthly Medicare Supplement premium. Insurance companies may offer these optional riders but are not required to do so.

**Medicare 50% Part A Deductible Rider** - This optional rider provides coverage of 50% of the Medicare Part A hospital deductible per benefit period with no out of pocket maximum. The beneficiary would be required to pay the other 50%.

**Medicare Part B Copayment/Coinsurance Rider** – This optional rider may be selected to reduce the policy's premium. With this option, the beneficiary will have to pay the Medicare Part B deductible. After this deductible is met, the policy will cover Part B services after Medicare, however, the beneficiary will pay a 20% copay (up to a maximum of \$20) per doctor's office visit or a 20% copay (up to \$50 maximum) per an emergency room visit, unless the emergency room visit results in hospitalization. However, if a person sees a doctor several times a month, those copays may offset any savings this option may bring.

**50% or 75% Cost Sharing Medicare Supplements** – These policies provide benefits after you have met your out-of-pocket limit and your calendar year Part B deductible. The out-of-pocket limits for 2014 are \$4940 or \$2470 for 50% or 75% cost-sharing policies. Medicare pays their 80% and the balance is split either 50%/50% or 75%/25% paid by the supplement and beneficiary until out-of-pocket limits are met.

**High Deductible Medicare Supplement** - Choosing this plan means you must pay for all costs after Medicare pays on Medicare approved services up to the "high deductible" amount of \$2,140 in 2014, **before your supplement pays for anything**. You would be responsible for the Medicare Part A hospital deductible (\$1,216), the Part B deductible (\$147), and the 20% that Medicare doesn't cover after they pay 80% of approved charges. Keep in mind, that until you reach that out of pocket maximum, you are continuing to pay your monthly premium, as well. Also the high deductible amount can be raised each year.

An important point to remember about all these options is that when you first become eligible for Medicare you have the right to purchase all riders without underwriting (health questions asked). If a rider is not initially chosen and you want to add one at a later date, you may be subject to underwriting and be refused. You can always drop a rider, but it may be hard to add a rider at a later date.

If you would like more information, contact the Medigap Helpline @ 1-800-242-1060.

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