

Medicare Supplement PLAN N UNDERWRITING CLARIFICATION



5/19/10

UNDERWRITING

Due to the large number of questions regarding our Underwriting and premium rating practices for the new Plan N, and to ensure you have the most accurate information to help your clients understand the benefits provided under Plan N, we have outlined the following important information about Plan N.

1. We would like to clarify that, although Plan N is issued in 29 states without medical underwriting, please note that **Plan N is NOT considered guaranteed issue (GI)**. The "GI" referenced on the chart for tobacco purposes is referring to guarantee issue situations as mentioned in The Guide to Health Insurance.

Guarantee Issue rights are defined as rights that applicants have in certain specific situations when insurance companies are required by law to sell or offer a Medicare Supplement policy that covers all pre-existing conditions without medical underwriting. These specific situations can be found on in the attached "Guide to Health Insurance for People with Medicare" (pages 23-25).

2. **The open enrollment period**, is when you have the right to buy any Medigap policy offered in your state. This period lasts for 6 months and begins on the first day of the month in which you are both 65 or older and enrolled in Medicare Part B. Some states have additional open enrollment periods including those for people under 65. During this period, an insurance company can't use medical underwriting. This means the insurance company can't do any of the following:
 - Refuse to sell you any Medigap policy it sells
 - Make you wait for coverage to start
 - Charge you more for a Medigap policy because of your health problems
3. **Benefits that are provided under Plan N** are as follows:
 - Plan N covers 100% of the Part A deductible
 - Plan N does NOT cover the Part B deductible
 - Plan N does NOT cover Part B excess charges
 - Plan N requires that policy holders pay a copay for doctors office visits (up to \$20) and for ER visits (up to \$50)
4. Individuals that submit applications for one of our other Medicare supplement plans and do not qualify for coverage, must submit a new application if they would like to apply for coverage under Plan N.
5. **ALL pages of the application are to be submitted.**
Please ensure that the health/prescription page is also included, even when applying for Plan N.
6. To help alleviate confusion on the issue age availability, underwriting requirements and tobacco rate variations by state, we have developed the attached PDF. Please reference this document when completing applications for Plan N to ensure they are processed as quickly as possible.

If you have questions, please call Sales Support at (800) 693-6083.