Should Medigap Policies be Provided for Medicare Recipients Under 65 Years of Age in Virginia?

Joint Commission on Health Care
August 22, 2017 Meeting

Stephen Weiss
Senior Health Policy Analyst

Study Background

- By letter of request Senator Frank Wagner, Chairman of the Senate Committee for Commerce and Labor, asked the JCHC to review issues related to access to Medigap policies for those who are disabled and under the age of 65.

- As part of the study JCHC was asked to review the subject matter underlying Senate Bill 1351, how the “roughly 30” other states require such coverage, and assess the impact on those Virginians who are not able to obtain a supplemental policy.

- Senate Bill 1351 (2017) would have required that insurers “issuing Medicare supplement policies in the Commonwealth shall offer the opportunity of enrolling in a Medicare supplement policy to any individual who resides in the Commonwealth, is enrolled in Medicare Part B, and is under 65 years of age and eligible for Medicare by reason of disability, not including individuals with end-stage renal disease”.
  - The bill also required that Medicare supplement policies shall be guaranteed for renewal as long as the premiums are paid; the policies not exclude benefits based on preexisting conditions provided that the individual had creditable continuous coverage for at least six months as of the effective date of coverage; and allows insurers to develop premium rates specific to the class of individuals who are under age 65 and eligible for Medicare Part B by reason of disability.

Summary of Virginia Bureau of Insurance Survey of Medigap Insurance Companies on Providing Plans to Under Age 65 Medicare Population [1]

- In 2015 the Virginia Bureau of Insurance surveyed the 32 insurance companies that sold Medigap policies in Virginia at the time of the survey.
- Of the 32, 30 responded and the survey results were delivered to the General Assembly's Health Insurance Reform Commission.
- None of the companies indicated that they would leave the market (market does not mean the Commonwealth in general) if state law was changed requiring companies to sell Medigap policies to Medicare beneficiaries under age 65.
- The majority of companies (16) indicated that they preferred to limit the state law to the sale of "Medigap Plan A."
- Companies indicated that the premium rate differential would differ as follows:
  - 2 companies reported a rate 1.5 times greater than the age 65 rate
  - 1 company reported a rate 2 times greater than the age 65 rate
  - 6 companies reported a rate 2.5 times greater than the age 65 rate
  - 11 companies noted their rate would be 3 times greater than the age 65 rate
  - 5 companies responded with a rate 4 times greater than the age 65 rate
  - 1 company listed a rate at 5 times greater than the age 65 rate
  - 1 company stated the rate would be $100.00 more for a Medicare Supplement policy issued to an individual under age 65 and disabled
  - 3 companies did not indicate a specific differential, only stating that the premium would be based on experience

Background: The Basics of Medicare

- Medicare is a federally administered medical benefits program originally created in 1965 for people age 65 or older.
  - In 1972 Congress expanded Medicare coverage to people under age 65 who receive Social Security Disability Insurance (SSDI) benefits.
  - To qualify for SSDI, people under the age of 65 must be medically determined to be physically or mentally disabled and unable to work for at least the next 12 months after the determination, or determined to be permanently disabled until death. [2-5]
- Medicare is divided into four parts.
  - Part A – Hospital Insurance; including home health, short-term skilled nursing facility, and hospice care
  - Part B – Supplementary Medical Insurance; physician, outpatient hospital and other services
  - Part C – Medicare Advantage (MA); private sector managed health care plans (added in 1997)
  - Part D – Prescription Drug Coverage (added in 2006) [6]

- People eligible to receive Social Security when they turn age 65 are automatically eligible to enroll in Medicare.

Medicare: The Basics

Medicare Parts A, B and D

- Parts A and B utilize a traditional fee-for-service (FFS) provider reimbursement model. Beneficiaries get to choose their own physicians, specialists, hospitals, etc.
- Premiums:
  - Part A: None for the overwhelming majority
  - Parts B, D: Yes. Premiums are subtracted from monthly social security checks.[7]
- Out-of-Pocket Expenses (premiums, deductibles, co-pays and co-insurance)
  - Parts A, B – Yes; no maximum out-of-pocket limits.
  - Part D – Yes; initial deductible, co-pays and/or co-insurance and coverage gap
  - Many people have supplemental coverage to pay all or part of the out-of-pocket expenses (supplemental coverage may include: Medicaid, insurance from previous employer or spouse, Medigap, etc.)

Examples of Beneficiary Cost Sharing in Original Medicare: Parts A & B

Medicare Part A Hospital Insurance-Covered Services for 2017			
Services	**Benefit**	**Medicare Pays**	**Person Pays**
In Patient Hospital.	0-60 days	100% after deductible	$1,316 per episode; deductible
	61-90 days	Covered services except for the daily coinsurance amount	$329 per day co-pay
	91-150 days (60 reserve days each day can only be used once)	Covered services except for the daily coinsurance amount	$658 per day co-pay
	Beyond 150 days	Nothing	All costs
Skilled Nursing Facility	1-20 days	100% of approved amount	Nothing
	21-100 days	Covered services except for a daily coinsurance amount	Up to $164.50 per day co-pay
	> 100 Days	Nothing	All costs

Examples of Beneficiary Cost sharing in Original Medicare: Parts A & B

Medicare Part B Medical Insurance Covered Services for 2017			
Services	**Benefit**	**Medicare Pays**	**Person Pays**
Premium			$134 per month $1,608 per year
Medical Expense - Physician, inpatient/ outpatient; supplies, physical and/or speech therapy, ambulance, etc.	Medicare pays for medical services in or out of the hospital and drugs that may or may not also be covered by Part D when provided in a physician office or hospital outpatient setting	80% of approved amount (after $183 deductible) Most covered preventive services	$183 deductible (each year) plus 20% of Medicare approved amount * There is no annual limit for out-of-pocket expenses
Certain drugs delivered on an outpatient basis/or available in a physician/hospital office, i.e. transplant, oral cancer drugs, etc.			Part B drugs in a doctor or pharmacy: 20% of Medicare-approved amount; Part B deductible applies. Hospital based drugs require a co-payment, may be covered by Part D
Outpatient Hospital Treatment	Unlimited if medically necessary at hospitals and community mental health centers	Medicare-approved amount for covered services after $183 deductible	$183 deductible and 20% coinsurance (or a fixed co-payment amount that may vary according to the service)

Out-of-pocket Spending and Medicare Coverage

- A 2017 report by the Commonwealth Fund found that 27% of all Medicare beneficiaries spent 20% or more of their income on out-of-pocket expenses (including premiums) in 2016. [8]

  - When premiums were excluded, a typical beneficiary spent $3,024 per year on out-of-pocket expenses. Over 30% was spent on cost-sharing for medical and hospital care, 25% on prescription drugs, and 39% on services Medicare does not cover (dental, vision, hearing and long-term care).

  - Beneficiaries with serious cognitive and/or physical impairments spend more than three times as much out-of-pocket, on average, as those without chronic disease or disability ($5,519 vs. $1,549).

  - In addition, high-need beneficiaries can spend well over $7,000 a year out-of-pocket to cover their health care needs (covered and uncovered services)

- According to the Employee Benefit Research Institute, on average Medicare covers 62% of the cost of health care services for those age 65 and older. Out-of-pocket expenses (13%), private insurance (15%) and other programs (i.e. Veterans Affairs, Tricare, Medicaid) account for the balance. [9]

Part C: Medicare Advantage (MA)

- MA is a private sector alternative to signing up for original Medicare - FFS. MA allows people to enroll in a single health insurance program. The majority of MA plans operate as Health Maintenance Organizations (HMOs) and require their members to use specific, plan approved, health care providers (in-network).

- MA plan enrollees are required to obtain a primary care physician referral for in-network specialty care. [10]

- The majority of MA plans include Part D coverage, some may pay for the Part B premium; some pass their expected savings through managed care on to enrollees by offering added benefits such as hearing, dental and vision; while others pass on their expected savings by offering “zero” premiums. [11]

Part C: Medicare Advantage (MA)

- Unlike original Medicare, MA plans are required to have annual out-of-pocket cost sharing limits.[12]

- Participation in MA depends on plan availability within a location within a state; plans are not required to be offered in every location, i.e. Virginia's overall MA participation rates for Medicare range from 48.62% in Scott County to 6.86% in Galax City. [13]

- A number of studies, as recently as 2017, indicate that Medicare beneficiaries, especially the under 65 disabled, report having trouble gaining access to care when enrolled in MA plans and HMOs due to network restrictions and an inability to access their regularly seen physicians and specialists. As a result, most either choose original Medicare or disenroll from their MA plan. [14]

Majority of Medicare Beneficiaries Enroll in Parts A & B [15]

	Part A & B Fee-for-Service	Part C Managed Care
Nation All Ages (53 million)	64.32%	35.68%
Virginia All Ages (1.3 Million)	78.07%	21.93%
Nation Under 65 (8.5 million)	68.90%	31.10%
Virginia Under 65 (200,507)	66.80%	33.20%
Nation Over 65 (44.5 million)	63.50%	36.50%
Virginia Over 65 (1.08 million)	80.20%	19.80%
Source: CMS. https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html		

Medicare Beneficiaries Disabled and Under the Age of 65

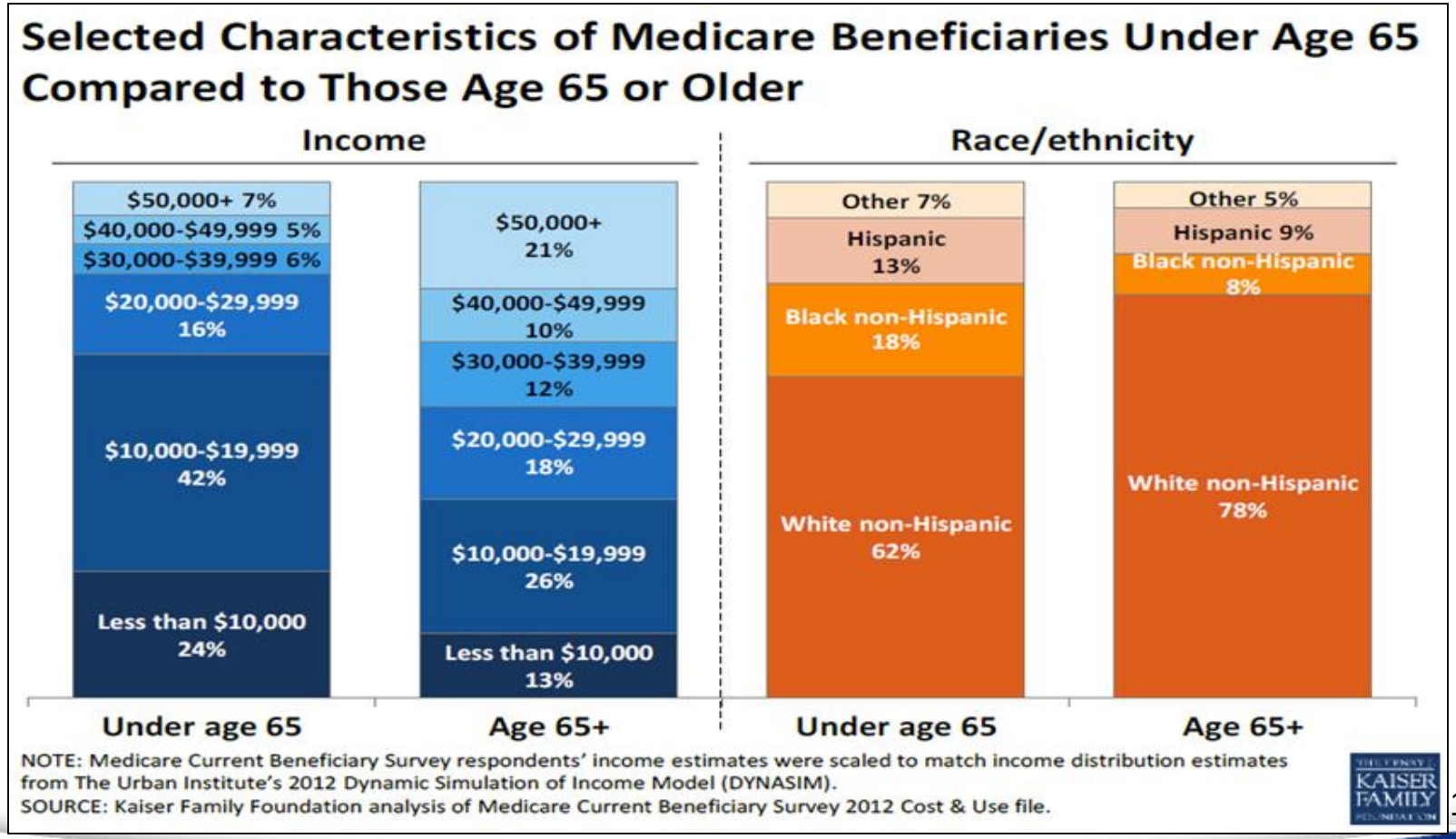
Demographics of Medicare Beneficiaries Under the Age 65

- In 2015, 9.4 million Americans on Medicare were between the ages of 18 and 64, including 223,135 from Virginia, and were receiving Supplemental Security Income (SSI) and/or SSDI. [16]
  - Nationally, 16.2% of Medicare beneficiaries are under 65
  - In Virginia, 15.6% of Medicare beneficiaries are under 65

- In 2015 the demographics for the Medicare FFS group nationally and in Virginia is as follows: [17]
  - The average age of FFS enrollees under age 65 was 51 nationally and 52 in Virginia
  - 52% were men and 48% were women, nationally and in Virginia
  - Non-Hispanic white: 68% nationally and 65% in Virginia
  - African American: 19% nationally and almost 30% in Virginia

Income

- The average per capita earnings for those under age 65 was $17,950 nationally, which is less than the average for the age 65 and over cohort.
  - The graph indicates that 66% of Medicare beneficiaries under age 65 earn less than $20,000 per year as compared to 39% of those over age 65. [18]



Health Care Coverage for those Under Age 65

- Those under 65 have to wait 24 months after they receive their first a SSDI check (see Appendix for enrollment details). [19]

- A 2009 Social Security Administration (SSA) study of SSDI recipients in the waiting period for Medicare found that 12.7% of those between the ages of 18 and 55 were uninsured, while 87.3% had some form of coverage. Of those with coverage, 73% had private insurance from either a current or former employer, a spouse or COBRA. [20]

Prevalence and Type of Health Insurance Coverage Sample Survey of 16,154 SSDI Eligible Ages 18 through 55 During 29 Month Waiting Period for Medicare (2007-2008)		
Description	**Coverage Count**	**Percent of Total**
Uninsured	2,052	12.70%
Spouse Insurance	4,161	29.5%
Current/former employer	3,921	27.8%
Medicaid/Medicare *	2,482	17.6%
COBRA **	2,200	15.6%
Military Health Benefits	1,100	7.8%
Self or Family Paid	705	5.0%
Other State Plan	649	4.6%
Workers Comp	564	4.0%
Other	254	1.8%
Indian Health	42	0.3%
Coverage Count ***	18,131	
Sample Size	16,154	

*** People diagnosed with ALS or ESRD are exempt from the waiting period and access Medicare.**
**** COBRA (Consolidated Omnibus Budget Reform Act of 1986) allows people terminating their employment from companies larger than to purchase their company's health insurance for a certain amount of time after termination. COBRA, however, is expensive**
***** Some SSDI in the sample had multiple sources of health insurance coverage.**
Source: Social Security Bulletin, Vol. 70, No. 4, 2010. Page 33, 34. [34]

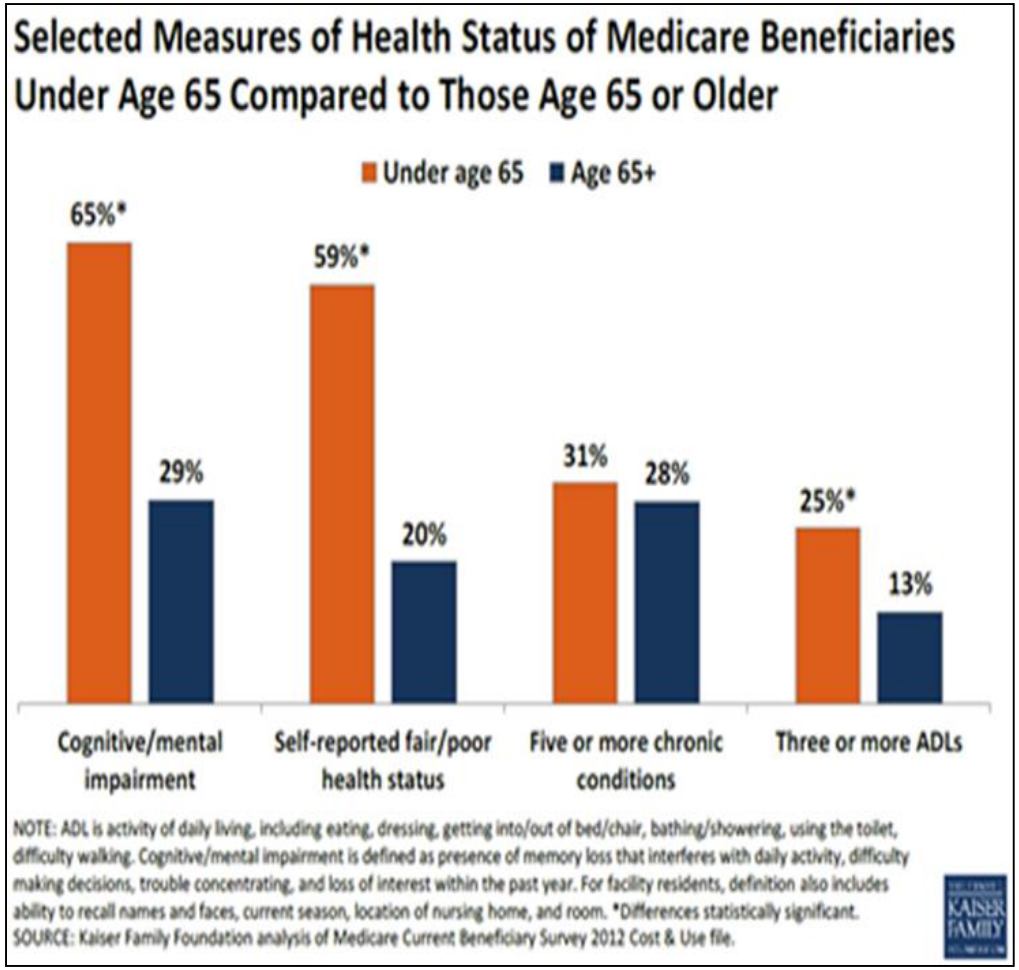
- In a separate study of SSDI recipients between the ages of 55 and 64, of those with employer coverage prior to the waiting period, roughly 12% became uninsured and 4% went on Medicaid during the waiting period. [21]

Why Would Disabled Individuals Under the Age of 65 Enroll in Medicare?

- Given Medicare's long waiting period, limited benefit package and out-of-pocket cost requirements it may be tempting for SSDI recipients to maintain their private coverage once they are eligible to enroll in Medicare instead of enrolling. But due to the complex rules of Medicare and the different policies of many employer sponsored insurance plans the ability to maintain private coverage may be difficult and costly.
- Examples of the complexities:
  - COBRA is expensive and by law ends at a specific point in time depending on when started
  - A person who is SSDI and becomes eligible for Medicare will lose ACA tax credits and other cost sharing benefits that they may have received from an exchange purchased plan
  - An SSDI recipient on Medicaid is required by law to enroll in Medicare once eligible for benefits
- In addition, SSDI recipients who delay enrolling in Medicare may have to pay late penalties on Parts B and D and there may be coverage gaps due to the different Medicare enrollment deadlines. [22]
- SSDI recipients should review their options carefully and check with the State's Health Insurance Assistance Program (SHIP) counselor to make certain they do not miss any deadlines, have a coverage gap, and/or have to pay late enrollment penalties.

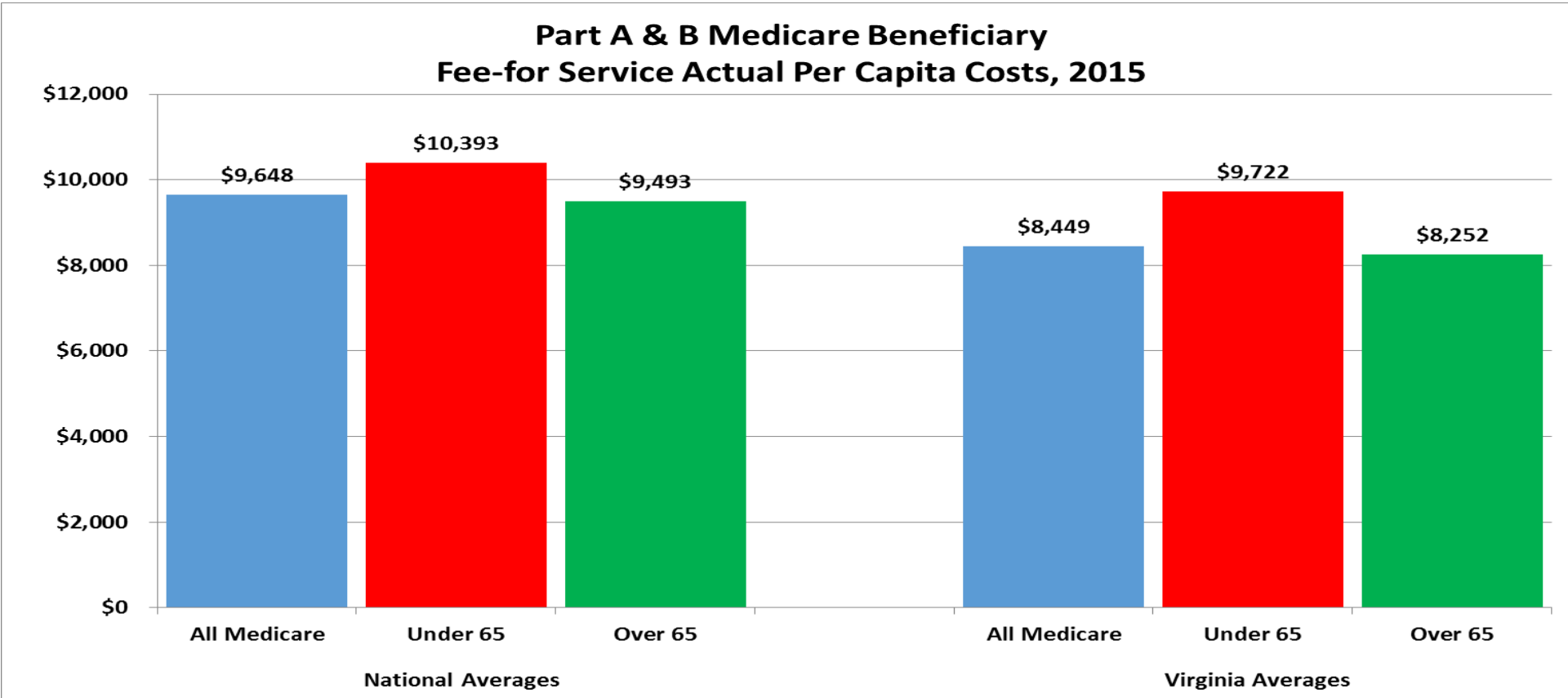
Health Status of Medicare Beneficiaries Under Age 65

- Medicare beneficiaries under the age of 65 are sicker than those age 65 and over.
- Those under age 65 are more than twice as likely to have a mental impairment and almost three times more likely to report being in poor health when compared to those age 65 and older. [23]
- A 2015 study found that, compared to those able to remain insured during the required waiting period for Medicare, those under 65 who are uninsured during the waiting period are more likely to report:
  - Poor health
  - Declare more difficulties in activities of daily living
  - Have 30% higher out-of-pocket medical expenditures. [24]



The Average Cost of Medicare per Enrollee by Age

- In 2015 the average overall per capita cost for a Medicare beneficiary enrolled in Parts A & B was $9,648; in Virginia it was $8,449.[25]
- The per capita costs are higher for those under age 65 and they do not include any out-of-pocket costs paid directly by beneficiaries. [26]

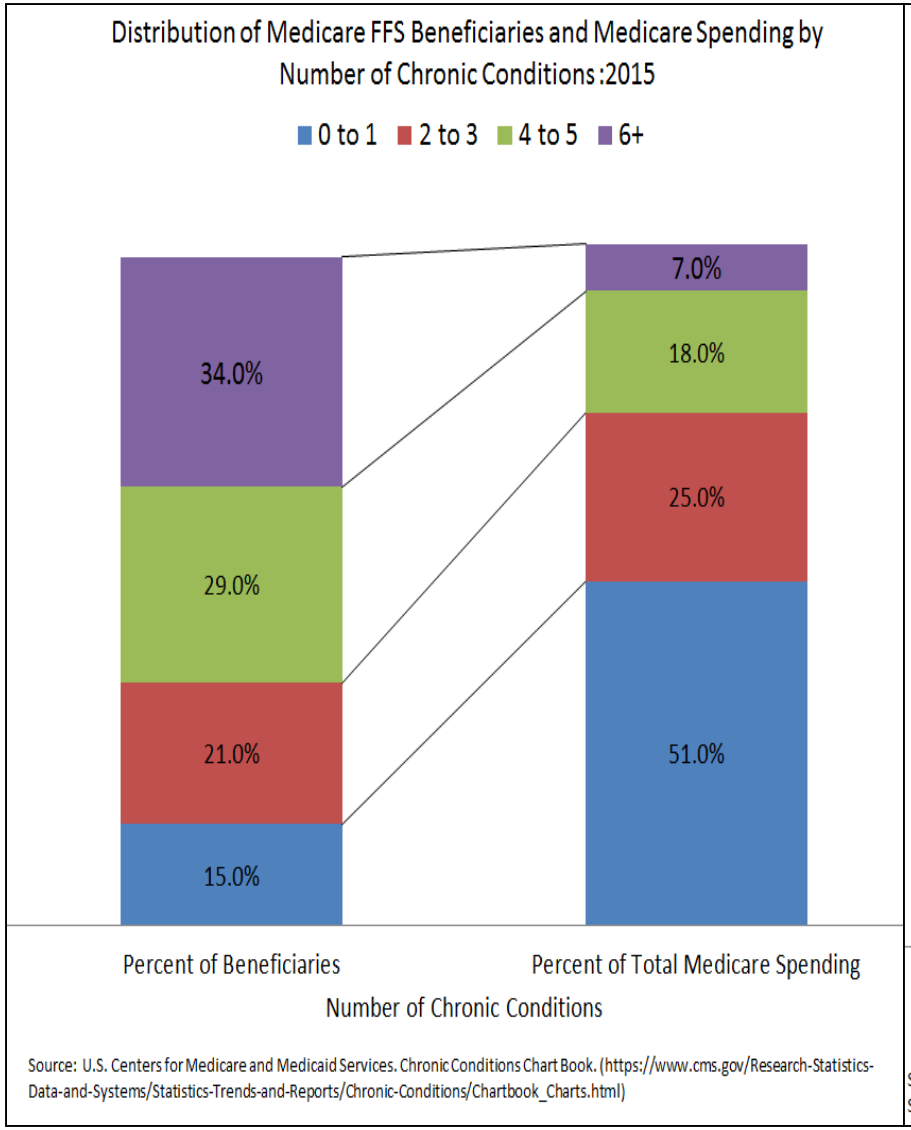


Source: CMS, Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality
https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html

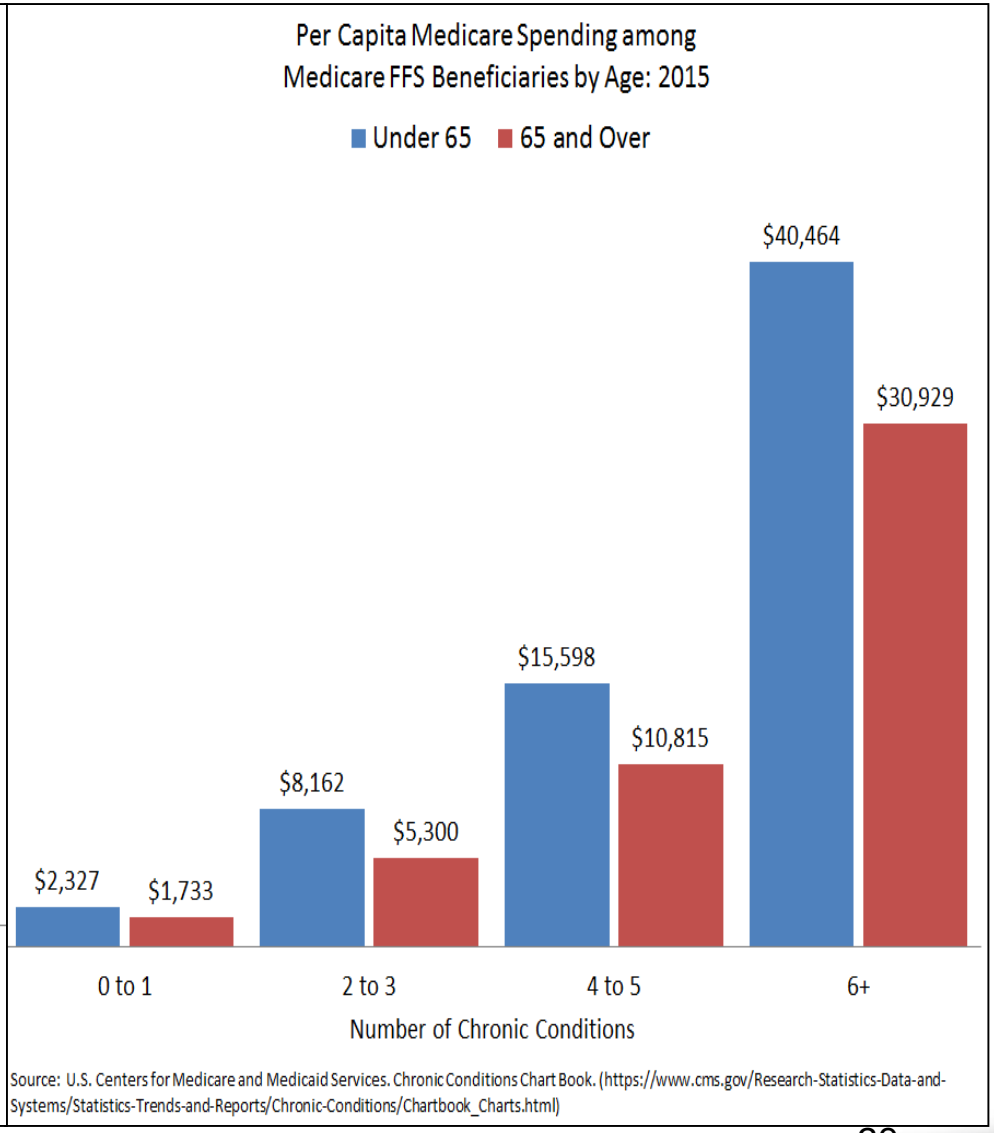
The Cost of Chronic Conditions [27]

- Medicare beneficiaries with multiple chronic conditions have higher health care expenses.
  - 15% of Medicare beneficiaries with 6 or more chronic health conditions account for 51% of FFS spending.
  - For those under 65, the costs are especially high when compared to those over age 65.

The Cost of Chronic Conditions [28]



Source: U.S. Centers for Medicare and Medicaid Services. Chronic Conditions Chart Book. (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Chartbook_Charts.html)

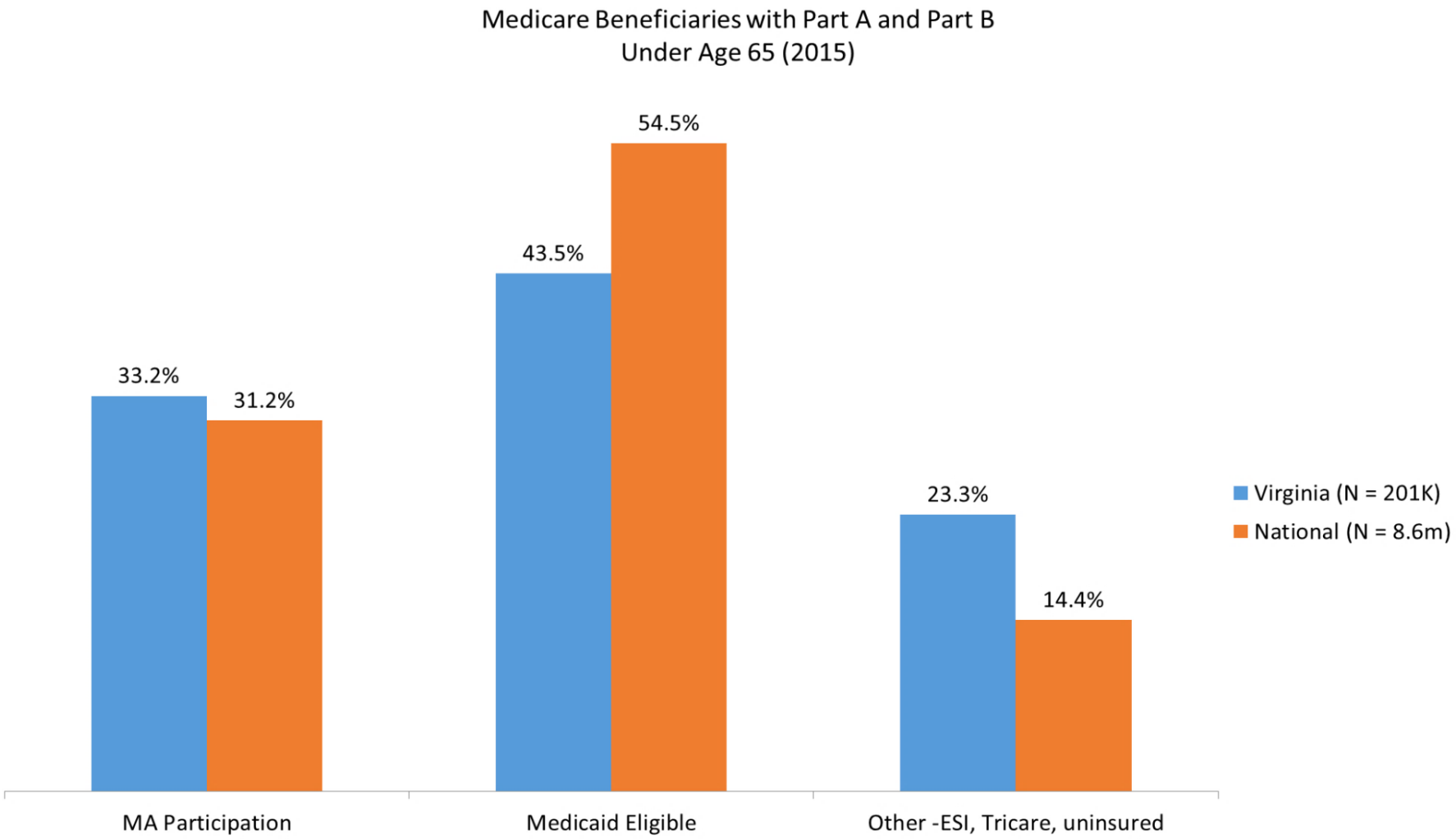


Source: U.S. Centers for Medicare and Medicaid Services. Chronic Conditions Chart Book. (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Chartbook_Charts.html)

Paying for Medicare's Out of Pocket Expenses

- Medicare beneficiaries under the age of 65 may cover their Medicare out-of-pocket expenses in several ways. For example a person may:
  - Enroll in a Medicare Advantage (MA) managed care plan.
  - Continue their Employer Sponsored Insurance (ESI) coverage (if allowed by the employer or the policy)
  - Maintain coverage from a spouse or other family member
  - Qualify for assistance through the Medicare Savings Program (MSP) operated by state Medicaid programs
  - In Virginia an option may be maintaining Tricare coverage, or
  - Purchase a supplemental health insurance policy (Medigap)

Medicare Enrollment Under Age 65 [29]



Source: Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html)

Medicaid, Medically Needy and the Medicare Savings Program (MSP) [30]

- A large percentage of Medicare beneficiaries qualify for Medicaid (43.5% in Virginia).
- To qualify for Medicaid a person has to meet certain income and resource tests, some of which are set by federal law while others are set by the states. In addition, the Medicaid program provides different pathways into Medicaid for Medicare beneficiaries during the waiting period, and also when enrolled in Medicare.
- Before and during the Medicare enrollment waiting period people under age 65 may qualify for Medicaid in Virginia as a disabled person with income of no more than 80% of the federal poverty level ($9,648 per year or $804/month) and assets (countable resources) no greater than $2,000.
- While those eligible for SSI and SSDI are automatically considered eligible for Medicaid by federal law, some states adopted more restrictive eligibility criteria in 1972 when the disabled were added to the Medicare program. [34]
- Virginia is one of 8 states with a more restrictive eligibility criteria for SSI/SSDI recipients.
  - Virginia is referred to as 209(b) state, along with Connecticut, Hawaii, Illinois, Minnesota, Missouri, North Dakota, and New Hampshire.
  - Federal law requires all 209(b) states to have a medical spend-down process for the “medically needy” that allows a person to deduct incurred medical expenses from their income as a way to qualify for Medicaid.

Medicaid Medically Needy Program [31]

- In Virginia, a person who is denied Medicaid due to income can submit medical expenses during the “spend-down” or “budget” period, which is 6 months.
- As the table indicates, there were 1,318 people between the ages of 19 – 64 receiving Medicaid through the Medically Needy program. Just under half within that age group (49.2%) were on Medicare.

Virginia Medically Needy on May 31, 2017					
Age Group	Medicaid Only	Part A	Part B	Both	Total
00 Under 1	75				75
01 to 05	80				80
06 to 18	339				339
19 to 20	8				8
21 to 44	106			128	234
45 to 64	554	1		521	1076
65 and over	67	7	13	1,706	1,793
Total	1229	8	13	2,355	3,605
Source: Virginia Department of Medical Assistance, 8-10-2017					

Medicare Savings Program (MSP) - Medicaid

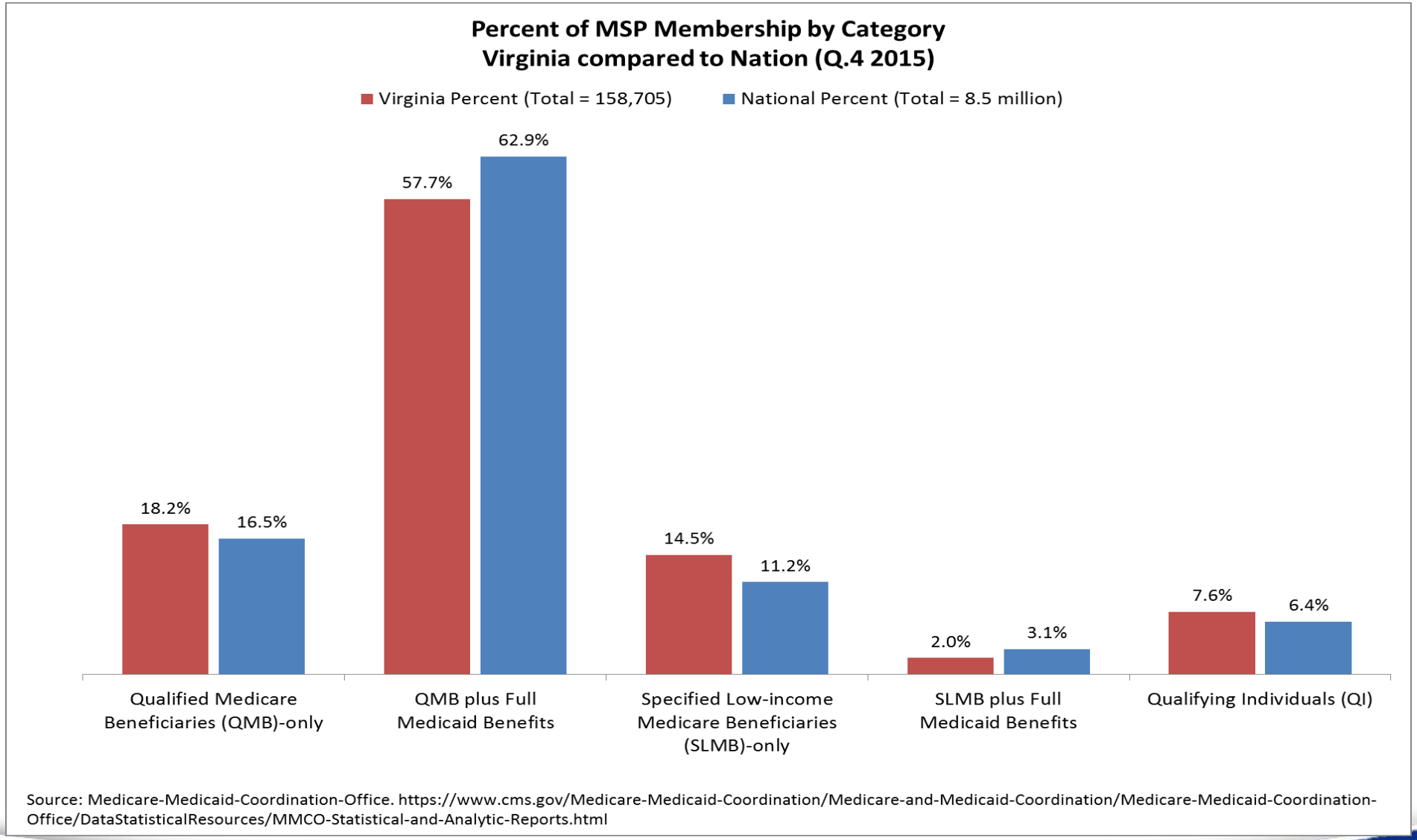
- There are 3 different and federally defined MSP programs. Eligibility for all 3 are based on income and asset (resource) tests. [32]

2017 MSP Eligibility Standards			
Program	**Monthly Income Limits**	**Asset Limits**	**Coverage**
Qualified Medicare Beneficiary (QMB)	< 100% FPL	$7,390 – Individual $11,090 – Couple	All deductibles All co-insurance Part B premium Part D premium
Specified Low-Income Medicare Beneficiary (SLMB)	100% to 120% FPL + $20	$7,390 – Individual $11,090 – Couple	Pays Medicare Part B premium/ no Medicaid card
Qualifying Individual (QI)	120% to 135% FPL + $20	$7,390 – Individual $11,090 – Couple	Pays Medicare Part B premium/ no Medicaid card

- SSDI income amounts are calculated using a formula. A person who earned $33,200 per year for 5 years before becoming disabled may receive roughly $16,580 in SSDI payments per year, or $1,382 per month, under the formula.

  – This amount exceeds 135% of the maximum FPL a person can have as income in 2017 to qualify for the most basic assistance from MSP. [33]

Percent Enrolled in MSP Programs in Virginia and the US [34]



Source: Medicare-Medicaid-Coordination-Office. https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/DataStatisticalResources/MMCO-Statistical-and-Analytic-Reports.html

Tricare [35]

- Veterans with a service-connected disability are eligible to enroll in Medicare Parts A & B and can retain their Tricare insurance under a plan called Tricare for Life (TFL), which is free to veterans (except for the Part B premium).
- TFL is used as a Medicare supplemental insurance policy.
- Virginia is home to the seventh largest population of veterans in the United States, 733,046 in 2015. Of that amount, 467,524, or 64%, were under age 65.
- Roughly 7%, or 32,727, have a service-connected disability rating of 70% or higher, which means they are unemployable according to the Veterans Administration.
- Information calculated from the American Community Survey (ACS) indicates that there are approximately 5,636 veterans under the age of 65 that have both Tricare and Medicare.

Medicare Supplemental Insurance - Medigap

- Medicare supplemental insurance, Medigap, is a source of additional coverage for Medicare beneficiaries to help pay the out-of-pocket expenses required of Parts A and B.

- Medigap is purchased to make health care costs more predictable, stable and more affordable; especially since original Medicare does not have annual out-of-pocket limits.

- Medigap is sold by privately operated insurance companies on the individual or group health insurance markets.

- Beneficiaries have to be enrolled in both Parts A and B to purchase Medigap.

- Only one person can be covered by the policy.[36]

- Federal law requires the NAIC to maintain a model set of regulations and benefit packages for insurers to follow when selling Medigap policies. [37]

Medigap: The Basics

- Federal law provides Medicare beneficiaries age 65 and over with the following rights and protections when purchasing a Medigap plan:
  - Medigap policies must be standardized and conform exactly to particular lists of benefits.
  - After enrolling in Part B coverage, there is a six-month open enrollment period that begins the first month of Part B coverage. During open enrollment:
    - Medigap plans are guarantee issued regardless of age, gender, or health status of the purchaser.
    - Premiums cannot be established using medical underwriting (pre-existing conditions).
    - Federal protections are not available if a person fails to sign up for Medigap during the 6 month enrollment period.
- Federal law also limits any exclusion periods for pre-existing conditions to six months.
- All companies selling Medigap in a location must sell plan Type A.
- All policies are renewable (with few exceptions) – guarantee issue.
- Medical loss ratios: 65% of premiums must be used to pay medical claims and/or quality improvements in the individual market, and 75% in the group markets.
- Policies cannot duplicate Medicare coverage and cannot be marketed to MA enrollees.
- All Medigap plans have to provide “coordination of payments” with Medicare. Coordination of benefits means the companies determine their share of the bill not the beneficiary. [38]

Standardized Medigap Plan Coverage

	Medigap Plans									
	A	B	C	D	F*	G	K	L	M	N***
Medicare Part A ($329 per day) coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used up	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B Coinsurance or Copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (First 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A Hospice Care Coinsurance or Copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled Nursing Facility Care Coinsurance at $164.50	0%	0%	100%	100%	100%	100%	50%	75%	100%	100%
Medicare Part A Deductible at $1,316	0%	100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B Deductible at $183	0%	0%	100%	0%	100%	0%	0%	0%	0%	0%
Medicare Part B Excess Charges	0%	0%	0%	0%	100%	100%	0%	0%	0%	0%
Foreign Travel Emergency (Up to Plan Limits)	0%	0%	100%	100%	100%	100%	0%	0%	100%	100%
					HI F Deductible		OOP limit**			
					$2,200		$5,120	$2,560		

Medigap Table Notes

*Plan Hi-F pays after the deductible amount is met

**After the out-of-pocket yearly limit and the yearly Part B deductible is met, the Medigap plan pays 100% of covered services for the rest of the calendar year

***Plan N pays 100% of the Part B coinsurance, except for a copayment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that don't result in an inpatient admission.

Medigap for Disabled and Under Age 65

- Federal law does not require insurers to sell Medigap plans to people under the age of 65. Each state determines by law or regulation if the policies will be sold and under what conditions and circumstances.
- 33 states (including 2 added this year) require insurance companies to sell Medigap policies to Medicare beneficiaries under age 65.
- Each state is different and some do not require all of the 10 different plans to be sold to those under age 65.
- 30 of the 33 states use the same (or similar) 6 month open enrollment period as is used for those over age 65.
- Medigap plans sold in New York, California, Oregon, and Missouri use the same enhanced enrollment processes described in the appendix for those under and over age 65.
- Other states have special enrollment periods for those under age 65 for people switching from MA or from one Medigap plan to another (KY, ME, MT, NC). [39]
- Finally, New Jersey divides the sale of Medigap into 2 age groups, under age 50 and 50 - 64. One company contracted through the state sells Medigap to people under age 50. The law then requires every company selling Medigap to people age 65 and older to sell policies to people between the ages of 50 and 65. [40]

(See Appendix for State-by-State summary)

Medigap Premiums – Rate Setting in General

- There can be big differences in Medigap premiums even if the coverage is exactly the same.

- Premiums can be based on age, where a person lives (i.e. urban, rural, or ZIP Code), the company selling the policy, and whether the company offers discounts (i.e. non-smokers, married, paying yearly or electronically, or for multiple policies with the same company). [41]

- Some states allow companies to use medical underwriting as a way to set premiums, decide whether to accept an application, or to add a waiting period for a pre-existing condition. [42]

- Companies may also apply a different premium when a person isn't in the Medigap open enrollment period and does not have a right of guaranteed issue. [43]

- The following table provides information on how insurance companies set premium prices for Medigap policies. How premiums are set is an important feature of some state laws as states try to make the policies affordable for those under age 65.

Medigap Premium Pricing

Type of Premium Pricing	How the Premium is Priced	What the pricing may mean for the purchaser
Community-rated (also called "no-age-rated")	Generally the same premium is charged to everyone who has the Medigap policy, regardless of age or gender	Premiums may go up because of inflation and other factors but not because of age.
Issue-age-rated (also called "entry age-rated")	The premium is based on the age you are when the person buys (are "issued") the Medigap policy	Premiums are lower for people who buy at a younger age. Premiums may go up because of inflation and other factors but not because of age.
Attained-age-rated	The premium is based on the current age of the purchaser (the age "attained"), premiums go up as the person gets older.	Premiums are low for younger buyers but go up as they get older. Policies may be the least expensive at first but can eventually become the most expensive. In addition, premiums may go up because of inflation and other factors.

Other Medigap Premium Rating Provisions for Beneficiaries Under Age 65 [44]

- States have the authority to establish other premium rating provisions by law. Some examples that illustrate the differences include:
  - A separate risk class for people under age 65 (CA, DE, FL, MS, NH, NC OK, TN)
  - The lowest premium for each plan; or average age based on a statutory formula (CO)
  - Community rating (MA, ME, MN, NY); No rating differentials allowed (HI)
  - Premium varies based on sound actuarial practice (GA)
  - Under age 65 rates must not exceed 150% of rates for age 65 and over (ID, new program)
  - Rates cannot exceed the highest age rate for age 65 (Ill); Under 65 disabled must be rated at age rate for those age 65 (KS)
  - Nine states have no specified restrictions on age rating (KY, LA, MI, MT, PA, SD, TX, VT, WI)

JCHC Survey of States: Medigap Enrollment by Beneficiaries under Age 65

- State insurance regulatory bodies report Medigap enrollment data to NAIC. America's Health Insurance Plans (AHIP) uses the data to publish a national annual enrollment trend report.
  - However, the Medigap enrollment data is not collected or grouped by age.
- For the purposes of this report, a survey was emailed to the 31 states that required Medigap plans to be sold to Medicare beneficiaries under the age of 65 prior to 2017.
- Three of the 31 states were able to provide data broken out by age:
  - Colorado
  - Maine
  - Tennessee
- In addition, one Medigap plan is sold in a small section of Northern Virginia just outside of the District of Columbia. The company that sells the policy provided enrollment data by age group as well.

Summary of State Requirements in Colorado, Maine and Tennessee for the Sale of Medigap [45]

Description of Medigap Insurance Plan Requirements for Medicare Beneficiaries Under Age 65					
State	**Premium Rating**	**Required Coverage**	**Plan Types Required**	**Enrollment Period**	**Rating Provisions**
Maine	Community Rated	Disabled and ESRD	All plans offered to those over 65	6 months from enrollment in Part B with a 90 day special enrollment period	Same premium as all
Colorado	Attained Age Rating	Disabled and ESRD	All Plans offered to those over 65	6 months from enrollment in Part B	Lowest Premium for each plan or based on formula in state law
Tennessee	Attained Age Rating	Disabled and ESRD	All plans offered to those over 65	6 months from enrollment in Part B or 6 months after loss of Medicaid or MA	Premiums may differ for over and under age 65 provided the rates are based on sound actuarial practice

Profile: Medigap Enrollment in Three States and Northern Virginia [46]

Three State Profile of Medicare Beneficiaries and Medigap				
State	Colorado	Maine	Tennessee	Total
Total Medicare Beneficiaries with Part A & B	747,532	298,007	1,217,102	2,262,641
Medicare Beneficiaries under 65	101,264	57,189	246,712	405,165
Percent Under 65	13.55%	19.19%	20.27%	17.91%
Total Medigap Policies Sold	344,238	71,396	226,865	642,499
Medigap as a % of Beneficiaries with Part A & B	46.05%	23.96%	18.64%	28.40%
Medigap Policies sold to under 65	11,296	2,558	4,833	18,687
% of Medigap Policies sold to under age 65	3.28%	3.58%	2.13%	2.91%

	Virginia	Northern Virginia
Total Medicare Beneficiaries with Part A & B	1,282,336	
Medicare Beneficiaries under 65	200,507	
Percent Under 65	15.64%	
Medigap Policies Sold	368,473	3,398
Medigap as a % of Beneficiaries with Part A & B	28.73%	
Medigap Policies sold to under 65	--	49
% of Medigap Policies sold to under age 65	--	1.44%

Review of Average Premiums
Under age 65 compared to Over age 65 [47]

As mentioned previously, Maine uses “community rating” to set premiums for Medigap plans. The cost of the plans is the same for those under age 65 as for those over age 65.

In 2014 Tennessee studied the impact of using community rating for Medigap and found that premiums for those over 65 would have increased by 5%. Tennessee did not adopt community rating for Medigap policies. [53]

Average Difference in Medigap Premiums
Over 65 compared to Under 65 for Three States and Northern Virginia

	Plan Types				
Maine	**A**	**F**	**G**	**N**	**Average**
Rates are the same	1,838	2,589	2,223	1,826	$2,119
Times Higher	-	-	-	-	-
Colorado	**A**	**F**	**G**	**N**	**Average**
Over 65 Average	$1,617	$2,064	$1,860	$1,380	$1,730
Under 65 Average	$4,344	$5,784	$3,900	$3,372	$4,350
Times Higher	2.69	2.80	2.10	2.44	2.51
Tennessee (2014)	**C**	**F**	**G**	**N**	**Average**
Over 65 Average	$2,535	$903	$1,345	$1,657	$1,610
Under 65 Average	$2,951	$2,191	$3,737	$3,018	$2,974
Times Higher	1.16	2.43	2.78	1.82	2.05
Northern VA					**Average All Plans**
Over 65 Average					$2,085
Under 65 Average					$11,010
Times Higher					5.28

Conclusions

- In order to be eligible for Medicare under the age of 65 a person needs to be deemed disabled by the Social Security Administration, which is a lengthy process. They then have a waiting period of 24 months before they can enroll in Medicare.
  - By the time a person under age 65 begins receiving Medicare benefits they are often sicker and can have multiple chronic conditions.
- The cost of health care for disabled individuals is often significant and Medicare's cost sharing requirements result in high out of pocket expenses.
- Not all Medicare beneficiaries in Virginia will qualify for Medicaid due to the income and resource requirements or both. Maintaining any other health insurance (i.e. employer sponsored, spouse, COBRA, etc.) may not be a viable option for most.
- Making Medigap available to Medicare beneficiaries in Virginia who are disabled and under age 65 is one way to make health care more stable, predictable and affordable for them. In addition, the availability of Medigap to this group may prevent some from having to "spend down" their income in order to qualify for the various MSP programs available.
- Medigap plans are offered in markets within a state. Not all plans are offered in every market and there are some areas where no plans may be offered. State law and regulations can address statewide availability.
- The enrollment data provided by the three states combined (CO,ME,TN) suggests that an average of 4.61% of Medicare beneficiaries in those states under age 65 have a Medigap policy. Using the average percent, a conservative estimate of the sale of Medigap policies to Medicare beneficiaries under age 65 in Virginia may be 9,247.

Policy Options

Option 1	Take no action
Option 2	Introduce legislation to amend the Code of Virginia by adding in Chapter 36 of Title 38.2 a section **requiring the Virginia Bureau of Insurance to adopt regulations** requiring insurers selling Medicare Supplemental policies in the Commonwealth to make those policies available regardless of age or disability; requiring an open enrollment period under the same conditions as required by federal law and **requiring premiums be established based on sound actuarial practice.**
Option 3	Introduce legislation to amend the Code of Virginia by adding in Chapter 36 of Title 38.2 a section requiring all insurers selling Medicare Supplemental policies in the Commonwealth to make those policies available regardless of age or disability **under the same conditions and requirements as policies sold to those at age 65, which allows insurers to use current practices to establish premiums.**
Option 4	Introduce legislation to amend the Code of Virginia by adding in Chapter 36 of Title 38.2 a section requiring all insurers selling Medicare Supplemental policies in the Commonwealth to make those policies available regardless of age or disability with the following conditions: • Establishing an open enrollment period with the same conditions as required by federal law for those age 65 and over • **Allowing insurers to charge different premiums for those under age 65 but limiting the cost of premiums to no more than *3 times* the cost of premiums for those at age 65.**

Policy Options

Option 5	Introduce legislation to amend the Code of Virginia by adding in Chapter 36 of Title 38.2 a section requiring all insurers selling Medicare Supplemental policies in the Commonwealth to make those policies available regardless of age or disability, ***excluding end-stage-renal-disease*** and with the following conditions: • Establishing an open enrollment period with the same conditions as required by federal law for those age 65 and over • **Allowing insurers to charge different premiums for those under age 65 but limiting the cost of premiums to no more than *2 times* the cost of premiums for those at age 65.**
Option 6	Introduce legislation to amend the Code of Virginia by adding in Chapter 36 of Title 38.2 a section requiring all insurers selling Medicare Supplemental policies in the Commonwealth to make those policies available regardless of age or disability and with the following conditions: • Establishing an open enrollment period with the same conditions as required by federal law for those age 65 and over • **Requiring insurers to charge a premium for those under age 65 that is no greater than the premium the insurer chargers for age 65**

Policy Options

Option 7	Introduce legislation to amend the Code of Virginia by adding in Chapter 36 of Title 38.2 a section requiring all insurers selling Medicare Supplemental policies in the Commonwealth to make those policies available regardless of age or disability and with the following conditions: • Establishing an open enrollment period with the same conditions as required by federal law for those age 65 and over and requiring the Bureau of Insurance to establish by regulation which plans should be made available, with periodic review; and • **To establish by regulation a method based on sound actuarial practice what the premiums should be provided.**

Public Comment Slide

Written public comments on the proposed options may be submitted to JCHC by close of business on September 8, 2016.

Comments may be submitted via:

- E-mail: jchcpubliccomments@jchc.virginia.gov
- Fax:804-786-5538
- Mail: Joint Commission on Health Care

- P.O. Box 1322
- Richmond, Virginia 23218

Comments will be provided to Commission members and summarized during the JCHC November decision matrix meeting.

(All public comments are subject to FOIA release of records)

APPENDIX

Medicare Enrollment Periods			
Parts	**Description**	**Period of Time**	**Comments**
Part A, B, C and D Part B enrollment is encouraged but not required	Initial enrollment period	Age 65 - 7 months (3 months before a person turns 65, the birthday month, and then 3 months after the birthday month)	
		Under age 65, disabled – 24 months after first disability check is received	Exceptions to the waiting period: individuals with ALS and end-stage renal disease. A person that becomes eligible for SSDI benefits cannot enroll in Medicare until 24 months after they receive their first disability payment. There is a mandatory 5 month waiting period from the time of determination until the first check is paid. [1]
Part B – Eligible but late enrollment	Special Enrollment Period	8 months following the month an employer sponsored health coverage ends	No penalties if qualified for Special Enrollment
Part B - late enrollment	General Enrollment Period	January 1 – March 31	Penalty added to Part B premium; coverage starts July 1
Part C Medicare Advantage Plan after adding Part B			
Changing from Parts A and B 'to or from' Part C; or Changing MA plans	Medicare Open Enrollment Period (Annual Coordinated Election Period)	October 15 through December 7	
Part D - late enrollment			Penalty added to Part D premium
Part C change back to Medicare Parts A & B	Disenrollment Period	January 1 to February 14	
Supplemental Insurance through Medigap Policy	Open Enrollment Period	Within the first 6 months after enrolling in Medicare Part B after turning age 65 States may have additional open enrollment rights and periods People are encouraged to contact the State Health Insurance Assistance Program (SHIP) for additional information	There is only one open enrollment period for Medigap where a person is guaranteed a policy regardless of health status and pre-existing conditions. After this period Medigap plans can require pre-existing waiting periods, deny coverage and refuse to sell plans based on health status, etc.

Enrollment in Medicare can be a complicated process. Contact the Virginia Insurance Counseling and Assistance Program. Virginia Division for the Aging of the Department for Aging and Rehabilitative Services for assistance. (http://www.vda.virginia.gov/vicap.asp)

States with Different Medigap Enrollment Standards [48]

- Some states have laws making it easier for seniors to enroll and switch from one Medigap plan to another.
  - New York and Connecticut, Medigap plans are guaranteed issue year-round.
  - California and Oregon both have “birthday rules”; Medigap enrollees have a 30 day window after their birthday to switch Medigap plans without medical underwriting (benefits have to be less than or equal to the original plan).
  - Maine allows Medigap enrollees to switch to a different Medigap plan with the same or lesser benefits at any time during the year; all carriers must designate one month each year when Medigap Plan A is available on a guaranteed issue to all enrollees
  - Missouri has an “Anniversary Guaranteed Issue” period of 60-days based on the time the plan was originally purchased where beneficiaries can switch to the same plan from any other carrier with guaranteed issue.

Summary Of Other States' Medigap Laws [49]

- Two states recently enacted laws requiring insurance companies selling Medigap to sell policies to those under age 65 (AR, ID).
- Twenty-eight states require the sale of Medigap to both the disabled and to those with ESRD (CO, CT, FL, GA, HI, ID, Ill, KS, KY, LA, ME, MD, MI, MN, MS, MO, NH, NJ, NM, NY, NC, OK, OR, PA, SD, TN, TX, and WI).
- Twenty-one states require the same Medigap plans sold to those over age 65 to be sold to those under age 65 (CO, CT, DE, FL, HI, Ill, KS, LA, ME, MA, MN, MS, MO, NH, NY, PA, SD, TN, VT, and WI).
- Two states limit the plan types to A & C (MD, MI); two limit the plan types to plan A (OK, TX); and one limits the plan types to plan C (NJ).
- Three states exclude End Stage Renal Disease (ESRD) from coverage (CA, MA, VT) and one state only requires coverage of ESRD (DE).
- Eight states require premiums to be the same for those under 65 as they are for those over 65 (CT, HI, KS, ME, MA, MN, NY, OR, and PA).
- One state requires premiums to be the same for those under 65 as they are for those age 75 and older (SD).
- One state limits premiums to no more than 150% of the premium for those 65 and older (ID). Two states limit premiums to no more than the highest advertised rate for those over 65 (Ill and NH).
- One state limits premiums to no more than the lowest advertised rates for those 65 and older (NJ)
- Twenty-three states use "Attained Age Rating" rules to set premiums (CA, CO, DE, HI, Ill, KS, KY, LA, MD, MI, MS, MO, NH, NJ, NM, NC, OK, OR, PA, SD, TN, TX, and WI).
- Seven states use "Community Rating" rules to set premiums (AR, CT, ME, MA, MN, NY, and VT). Three states use "Issue Age Rating" rules to set premiums (FL, GA, ID)

End Notes

1	State Corporation Commission Bureau of Insurance. “Senate Bill 760 Medicare supplement policies for individuals under age 65 Bureau of Insurance Survey – Insurers Offering Medicare Supplement”. Memorandum to Health Insurance Reform Commission. September 4, 2015.
2	The Henry J. Kaiser Family Foundation. The Facts on Medicare Spending and Financing. July 2015.
3	Cubanski, Juliette, et. al. Medicare's Role for People Under Age 65 with Disabilities. The Henry J. Kaiser Family Foundation. Issue Brief. Aug 12, 2016.
4	Medicare also covers certain widows and widowers under age 65 with disabilities, as well as disabled adult children of retired, deceased, or disabled workers.
5	Social Security Bulletin. A Primer: Social Security Act Programs to Assist the Disabled. Vol. 66, No. 3. 2005/2006. Pages 53-59.
6	Klees, Barbara S. et. al. Brief Summaries of Medicare & Medicaid. Office of the Actuary, Centers for Medicare & Medicaid services. November 10, 2016.
7	U.S. Government Medicare handbook. Medicare & You. 2017. https://www.medicare.gov/pubs/pdf/10050-Medicare-and-You.pdf
8	Schoen M.S., Cathy. Medicare Beneficiaries’ High Out-of-Pocket Costs: Cost Burdens by Income and Health Status. The Commonwealth Fund. Issue Brief. May 2017.
9	Employee Benefit Research Institute. Savings Medicare Beneficiaries Need for Health Expenses: Some Couples Could Need as Much as $350,000. Jan. 31, 2017. Notes; Vol. 38, No.1.
10	Klees, Barbara S. et. al. Brief Summaries of Medicare & Medicaid. Office of the Actuary, Centers for Medicare & Medicaid services. November 10, 2016.

End Notes

11 What is a Medicare Advantage Plan? Centers for Medicare and Medicaid Services. CMS Product No. 11474. April 2015.

12 Consumer Reports. Medigap vs. Medicare Advantage Know the difference before you choose. (http://www.consumerreports.org/cro/news/2014/10/medigap-vs-medicare-advantage-consumer-reports/index.htm) October 14, 2014.

13 U.S. Centers for Medicare &Medicaid Services. MA State/County Penetration. July 2017. (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-reports/MCRAdvPartDEnrolData/MA-State-County-Penetration-Items/MA-State-County-Penetration-2017-07.html?DLPage=1&DLEntries=10&DLSort=1&DLSortDir=descending)

14 Medicare Rights Center. Why Consumers Disenroll from Medicare Private Health Plans. Medicare Facts and Figures. Summer 2010; and Dickson, Virgil. Disabled Medicaid beneficiaries are losing services in managed care. Modern Healthcare. April 13, 2016; and United States Government Accountability Office. Medicare Advantage: CMS Should Use Data on Disenrollment and Beneficiary Health Status to Strengthen Oversight. GAO-17-393. April 2017.

15 U.S. Centers for Medicare & Medicaid Services. Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality. https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html

16 U.S. Social Security Administration • Office of Retirement and Disability Policy • Office of Research, Evaluation, and Statistics Annual Statistical Report on the Social Security Disability Insurance Program, 2015. Table 67. https://www.socialsecurity.gov/policy/docs/statcomps/di_asr/2015/; and US Centers for Medicare and Medicaid Services Chronic Condition Warehouse. County Level Chronic Conditions Table: Prevalence, Medicare Utilization and Spending. Medicare Beneficiary Population State Table: Beneficiaries Less than 65 Years, 2015.

17 US Centers for Medicare and Medicaid Services Chronic Condition Warehouse. County Level Chronic Conditions Table: Prevalence, Medicare Utilization and Spending. Medicare Beneficiary Population State Table: Beneficiaries Less than 65 Years, 2015.

18 Jacobson, Gretchen, et. al. Income and Assets of Medicare Beneficiaries, 2016-2035. The Kaiser Family Foundation. April 21, 2017. (http://www.kff.org/medicare/issue-brief/income-and-assets-of-medicare-beneficiaries-2016-2035/)

19 Cubanski, Juliette, et. al. Medicare's Role for People Under Age 65 with Disabilities. The Henry J. Kaiser Family Foundation. Aug 12, 2016.

20 Weathers II, Robert R. et. al. Expanding Access to Health Care for Social Security Disability Insurance Beneficiaries: Early Findings from the he Accelerated Benefits Demonstration. Social Security Bulletin, Vol. 70, No. 4, 2010. Page 33, 34.

End Notes

21 Short, Pamela Farley, PhD. And Weaver, France, PhD. Transitioning to Medicare before Age 65. Health Affairs (Millwood). Author manuscript; available in PMC July 26, 2014. Page 4.

22 Cubanski, Juliette, et. al. Medicare's Role for People Under Age 65 with Disabilities. The Henry J. Kaiser Family Foundation. August 12, 2016.

23 Ibid.

24 Yin, Na. “Sicker and Poorer: The Consequences of Being Uninsured for People With Disability During the Medicare Waiting Period.” Health services research and managerial epidemiology 2 (2015): 2333392815571583. PMC. Web. 11 July 2017

25 CMS, Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html. (Excludes Part D pharmacy costs and out-of-pocket expenses.)

26 Jain, Ravi. “Re: Medicare and Out-of-pocket Expenses.” Message to Stephen Weiss. July 5, 2017. Email.

27 U.S. Centers for Medicare & Medicaid Services. Chronic Conditions among Medicare Beneficiaries; Charts and Chart Books. https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Chartbook_Charts.html

28 Ibid.

29 U.S. Centers for Medicare & Medicaid Services. Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality. (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html). Under Age 65, 2015.

30 Social Security Program Operations Manual. SI 01715.010 Medicaid and the Supplemental Security Income (SSI) Program. Effective Dates: 05/30/2014 – Present. (https://secure.ssa.gov/poms.nsf/lnx/0501715010)

End Notes

31 Virginia Medical Assistance Manual – Eligibility. M1370 Spend-down limited Benefit Enrollees. Chapter M13; M1370.300. April 2013.

32 U.S. Centers for Medicare and Medicaid Services. Medicare.gov. (https://www.medicare.gov/your-medicare-costs/help-paying-costs/medicare-savings-program/medicare-savings-programs.html#collapse-2625) ; and Virginia Department of Medical Assistance. (http://www.dmas.virginia.gov/Content_pgs/rcp-mbi.aspx)

33 Virginia Medical Assistance Eligibility. M0830 Unearned Income. A.1-3; and Disability Benefits Help. (http://www.disability-benefits-help.org/form/disability-benefits-calculator/thank-you)

34 U.S. Centers for Medicare and Medicaid Services. Medicare-Medicaid-Coordination-Office. https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/DataStatisticalResources/MMCO-Statistical-and-Analytic-Reports.html; and U.S. Centers for Medicare and Medicaid Services. Medicare-Medicaid-Coordination-Office. https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/MMCO_Definition_of_Dual_Eligible.pdf.

35 Tricare Brochure. Tricare and Medicare Under Age 65. October 2015; and The U.S. Department of Veterans Affairs: National Center for Veterans Analysis and Statistics. (https://www.va.gov/vetdata/veteran_population.asp); and US Department of Veterans Affairs, Compensation, Individual Unemployability. (http://www.benefits.va.gov/compensation/claims-special-individual_unemployability.asp); and US Bureau of the Census. American Community Survey; Virginia. (https://www.census.gov/programs-surveys/acs/news/data-releases/2015/release.html#par_textimage_0). 2015.

36 Huang, Jennifer T. et. al. Medigap: Spotlight on Enrollment, Premiums and Recent Trends. The Kaiser Family Foundation. April 2013. Page 3.

37 42 U.S. Code § 1395ss (Certification of Medicare supplemental health insurance policies).

38 Rapaport, Carol. Medigap: A Primer. Congressional Research Service. (R42745) September 19, 2012. Page 9.

39 American Health Insurance Plans. Under Age 65 Disabled - Access to Medigap as of May 2017.

40 New Jersey Department of Banking and Insurance. Medicare Supplement Coverage for Individuals Eligible for Medicare due to Disability. http://www.nj.gov/dobi/division_insurance/medsuppunder50/intro.html

End Notes

41 U.S. Centers for Medicare & Medicaid Services. National Training Program (NTP) Instructor Information Sheet; Module 3—Medigap (Medicare Supplement Insurance) Policies. (https://www.cms.gov/Outreach-and-Education/Training/CMSNationalTrainingProgram/Downloads/2015-Medigap-Workbook.pdf)

42 Ibid.

43 Center for Medicare and Medicaid Services. 2016 Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare. Developed jointly by the Centers for Medicare & Medicaid Services (CMS) and the National Association of Insurance Commissioners (NAIC). Page 18.

44 American Health Insurance Plans. Under Age 65 Disabled - Access to Medigap as of May 2017

45 Ibid.

46 Colorado Department of Regulatory Agencies. 2017 Colorado Medicare Supplement Survey. Re: Virginia General Assembly Joint Commission on Health Care. Message to Stephen Weiss. August 3, 2017; and Maine Bureau of Insurance. RE: Virginia General Assembly Joint Commission on Health Care. Message to Stephen Weiss. May 31, 2017; and Tennessee Department of Commerce and Insurance: Medicare Supplement Insurance Analysis, 2015. Message to Stephen Weiss. May 31, 2017; and U.S. Centers for Medicare & Medicaid Services. Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality. (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html) ; and U.S. Centers for Medicare & Medicaid Services. Single State and County Comparison to National Data - Demographics, Cost, Utilization, and Quality. (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html); and AHIP Center for Policy and Research. Trends in Medigap Enrollment and Coverage Options 2015. Table 7: Enrollment: Plan Type by State and Territory, As Reported to the NAIC, December 2015. Published April 2017; and Chichester, Colette. Vice President, Government Affairs – NCA. CareFirst BlueCross BlueShield. Personal Conversation. July 5, 2017.

47 Methodology: reviewed each states' Medigap Consumer Information brochure and averaged 8 to 10 company premiums listed for each plan type.

48 Norris, Louise. State-specific Medicare information: A guide to resources and state spending on Medicare. MedicareResources.org. September 29, 2015 (https://www.medicareresources.org/states/)

49 American Health Insurance Plans. Under Age 65 Disabled - Access to Medigap as of May 2017