

# PRESS RELEASE

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### **Department of Insurance Publishes Updated Medigap Premium Comparison**

The Arizona Department of Insurance has published an updated 2004 version of its popular consumer publication, the **Medicare Supplement Insurance Premium Comparison**. The publication is now available in print and on-line at the Department's web site, [www.id.state.az.us](http://www.id.state.az.us).

About 70% of Arizona's approximately 725,915 Medicare beneficiaries participate in traditional "fee for service" Medicare, either through choice or because the Medicare + Choice HMO program is not available in their area. The Department of Insurance developed the Medicare Supplement Premium Comparison to facilitate comparison shopping for Medicare Supplement insurance products (also called Medigap).

Medigap insurance helps to fill the gaps in health care costs not paid for by traditional Medicare. Some Medigap policies even provide limited coverage for prescription drugs.

"To shop effectively for Medigap insurance, consumers need to understand the differences between available insurance products and realize the diversity of premiums and services offered by various insurers. The Department's Medicare Supplement Insurance Premium Comparison helps consumers find the products and prices that make the most sense for each of them," said Director of Insurance, Christina Urias.

There are 58 insurers that offer Medigap coverage in Arizona and there are 10 different plans, A through J, from which consumers can choose the benefit level that best suits them. There is a significant range in the premiums between Plans

and insurers. The following chart illustrates the range in monthly premium for the three most popular plans:

| Age | Plan B         | Plan C         | Plan F        |
|-----|----------------|----------------|---------------|
| 65  | \$74 to \$232  | \$77 to \$292  | \$43 to \$338 |
| 70  | \$84 to \$267  | \$92 to \$367  | \$54 to \$393 |
| 75  | \$101 to \$306 | \$110 to \$415 | \$61 to \$424 |
| 80  | \$115 to \$366 | \$114 to \$446 | \$74 to \$470 |

While price is an important consideration, consumers should also consider an insurer's stability, benefits and service. Comparison shopping can result in considerable cost savings, but the process can also help consumers evaluate what is most important to them; thereby, ensuring that they get a policy with suitable benefits, from a company that has the most appropriate services for their needs. For instance, some insurers, but not all, offer automated claims processing, 24-hour customer service, on-line Internet services, and toll-free phone numbers.

To compile the data for the premium comparison publication, the Department of Insurance surveyed Medicare Supplement insurers and instructed them to "quote" monthly premiums for various Medigap products for a healthy, non-smoking hypothetical applicant at ages 65, 70, 75 and 80. Insurers provided quotes for seven different counties: Cochise Maricopa, Mohave, Pima, Pinal, Yavapai and Yuma. Due to space constraints, the printed version of the publication includes quotes for the five counties with the greatest population of Medicare Beneficiaries (Maricopa, Mohave, Pima, Pinal and Yavapai). To see the full survey results for all seven counties, including Cochise and Yuma, consumers can visit the Publications page on the Department's web site at [www.id.state.az.us](http://www.id.state.az.us).

Consumers should use the Medicare Supplement Premium Comparison in conjunction with "Choosing a Medigap Policy: A Guide To Health Insurance For People With Medicare" (published by the U.S. Department of Health and Human Services) which provides a detailed description of the benefits under each of the 10 standardized Medicare Supplement plans. Whether a first time Medicare Supplement shopper or long time policy owner, it is important to know your options before you begin comparison shopping.

Another invaluable resource for Medigap shoppers is the Arizona State Health Insurance Assistance Program (SHIP). SHIP offers free counseling on Medicare, Medicare supplement insurance and related insurance products. Consumers can call toll free 1-800-432-4040, or email requests to [askaaa@mail.de.state.az.us](mailto:askaaa@mail.de.state.az.us).

To obtain a *free* copy of the Medicare Supplement Premium Comparison and the “Choosing a Medigap Policy: A Guide To Health Insurance For People With Medicare”, consumers can contact the Department of Insurance by:

*Calling* toll free 1-800-325-2548 (outside Maricopa), or 602-912-8444 in Phoenix,

*Sending an email* request to [consumers@id.state.az.us](mailto:consumers@id.state.az.us),

*Visiting our web site* at [www.id.state.az.us](http://www.id.state.az.us),

*Writing to or coming by* the Department of Insurance at 2910 N. 44<sup>th</sup> Street, 2<sup>nd</sup> Floor, Phoenix, AZ 85018.

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