NAIC Senior Issues
Task Force
Access to Medigap Insurance for Medicare Beneficiaries Under Age 65
Access to Medigap Health Benefits

- No federal right to a Medigap until age 65
  - Discrimination based on age
    - At age 64 or younger (12% of Medicare population)
      - Disabled
      - With health conditions
  - Example of no discrimination based on age
    - Insured beneficiaries at age 80+
    - Protected by federal and state guaranteed issue events
    - Also likely to have existing health conditions
Medigap Access: State Variations

- Variations range from:
  - Same Medigap rights as age 65
  - Limited access
    - To certain Medigap plans
    - Higher premiums, some with certain limitations
  - Access through a state high risk pool
  - Some voluntary sales with health underwriting
    - In some states
  - No access until age 65 in some states

- Nationally:
  - Only 2% of younger beneficiaries have a Medigap
State Availability Of Medigaps

- **3 states**
  - All Medigaps available to all Medicare beneficiaries
  - Age and health pricing factors not permitted

- **5 states**
  - Same access as age 65
    - Premiums or other limitations exist

- **3 Medigap Waiver states**
  - Some Medigaps available
    - Some limitations exist
State Availability Of Medigaps

- **12 states and D.C.**
  - Have no requirements for younger than 65
    - 6 states provide access to the state high risk pool
      - 1 state issues Medigap through their high risk pool
      - Some voluntary sales with health underwriting occur

- **2 states***
  - Year round access with no health or age restrictions
    - *One state limits the Medigap plans younger beneficiaries can buy
What Can The NAIC Do?

- **Why are 3 states able to accept all risks?**
  - What is the Medigap experience in those states?
    - Premium costs
    - Medical/claims experience
    - Loss ratio experience
  - Comparison to other states?

- NAIC could collect data to inform states and policymakers
  - What is the impact of state rules on:
    1. Access to Medigap
       - Each population (age, gender, urban/rural)
    2. Medigap rates
       - All populations?
       - Over 65?
       - Younger beneficiaries only?
    3. Loss ratios
    4. State high risk pools
    5. Medicaid/duals (65+, -64)
  - Insurer data
    - Health underwriting in voluntary markets
    - Pricing data
Questions?

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