

OUR COST-CUTTING PLAN N

Lower premiums to help protect clients' savings



More and more people are choosing Plan N to supplement their Original Medicare benefits. Competitive pricing makes our plan an attractive option.

Cost-Sharing Plan N

Plan N helps keep premiums low through cost-sharing. Policyholders pay the Medicare Part B deductible and potential copayments for office and emergency room visits. They may also pay excess charges, which only apply in rare circumstances. See page 2.

Plan N can be a good fit for your clients when:

- The applicant is accustomed to cost-sharing (e.g., Someone coming off an employer's health insurance plan or a Med Advantage plan)
- The applicant wants to reduce premium liability
- The applicant prefers to pay a lower premium in exchange for the possible out-of-pocket expenses associated with the Part B deductible (\$226 in 2023) and rare excess charges

What It Covers

Benefit	Part A Deductible	Coinsurance	Extended Hospital	Blood	SNF Care	Hospice Care	Part B Deductible	Coinsurance	Part B Excess Charges**	Blood	Foreign Travel Emergency
Plan N	✓	✓	✓	✓	✓	✓		✓ After copayment*		✓	✓

*Up to \$20 copayment for office visits and up to \$50 for emergency room visits that don't result in an inpatient admission.

**An excess charge is the amount a health care provider is legally permitted to charge above the Medicare-approved amount. Keep in mind if health care providers accept Medicare assignments, they have agreed to accept the Medicare-approved amount and there will be no excess charge. A vast majority of health care providers do accept assignment.

How It Works

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

Plan N Examples	Example 1	Example 2
Amount the doctor's office bills to Medicare	\$200	\$200
Amount approved by Medicare	\$150	\$75
Medicare Part B coinsurance	20% of the Medicare approved amount	20% of the Medicare approved amount
Coinsurance amount due	\$30 (\$150 x 20%)	\$15 (\$75 x 20%)
Amount Plan N pays the doctor's office	\$10 (\$20 of the \$30 coinsurance is applied to the copayment)	\$0 (Since copayment did not exceed \$20)
Amount the insured owes the doctor's office	\$20	\$15

Excess Charges and Medicare Assignment

Although Plan N doesn't pay a benefit for excess charges, the reality is most Med supp claims don't include excess charges. So even Plan N policyholders generally don't pay for them. Here's why: The majority of U.S. health care providers accept Medicare assignment. The provider has agreed to accept the Medicare approved amount so excess charges won't be passed on to patients.

What's more, these states don't allow excess charges to be passed on to beneficiaries: CT, MN, NY, OH, PA, RI, VT. These residents will never see a bill for excess charges.

When a provider or supplier does not accept assignment, they're called "non-participating." In those unusual instances:

- Medicare beneficiaries may have to pay the entire charge at time of service.
- Non-participating providers can charge more than the Medicare-approved amount, but there's a limiting charge. That means the provider only can charge up to 15% over the amount that non-participating providers are paid, which is 95% of the fee schedule amount.
- The limiting charge only applies to certain Medicare-covered services and doesn't apply to some supplies and durable medical equipment.



What You Can Do

Ask your clients considering Plan N if their providers accept Medicare assignment. If so, they likely won't have out-of-pocket costs for Part B excess charges. You can help find physicians who accept Medicare assignment on [medicare.gov/physiciancompare](https://www.medicare.gov/physiciancompare)