

# Medicare Supplement

PROTECTING THE HEALTH AND FINANCIAL SECURITY  
OF NEARLY 15 MILLION AMERICAN SENIORS



**Seniors deserve affordable coverage that provides them with access to high-quality care, protecting both their health and financial security.** Medicare Supplement delivers for them, helping to fill the gaps and pay for costs that traditional Medicare does not cover. Policies that increase Medicare Supplement premiums will make it unaffordable for millions of Americans, including many low-income seniors in rural America. The evidence is clear: affordable Medicare Supplement coverage must be protected.

## What Is Medicare Supplement?

**Medicare Supplement plans (sometimes called Medigap)** are a type of coverage that seniors may choose to help them pay for the costs that traditional Medicare doesn't cover.

There are **several Medicare Supplement plan designs** from which Medicare beneficiaries may choose.

**Seniors purchase Medicare Supplement coverage to protect themselves from high out-of-pocket costs** not covered by traditional Medicare, to budget for medical expenses, and to avoid the confusion and inconvenience of handling complex bills from health care providers.

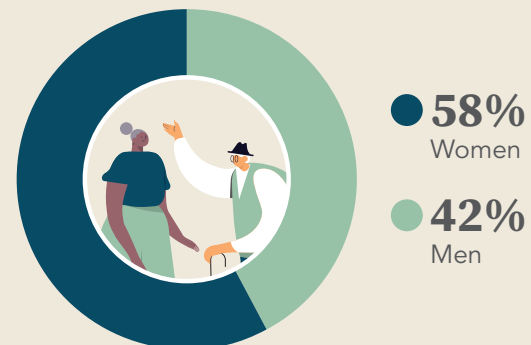
Medicare Supplement policies are guaranteed renewable – so **seniors will never lose access to their coverage year to year.**

### Additional costs these plans may cover include:

- Medicare Part A coinsurance, hospital stays, and deductibles
- Medicare Part B coinsurance or copayment, deductibles, and excess charges
- Out-of-pocket limits
- Blood tests
- Hospice care
- Skilled nursing facility care
- Health emergencies during travel abroad

## Who Chooses Medicare Supplement?

- **14.5 million** Americans
- **About half** of traditional Medicare enrollees who do not have additional sources of coverage.
- **43%** of Medicare Supplement policyholders are 75 years old or older, compared with **35%** of all Medicare enrollees.
- **35%** of rural Medicare Supplement policyholders have incomes 200% or lower of the FPL.



### Enrollment Growth

2010:

9.7M

2019:

14.5M

## How Do Medicare Supplement Enrollees Value Their Coverage?<sup>1</sup>

**89%** **Satisfied** with their coverage

**95%** Allows them to **receive high-quality care**

**91%** **Protects them** from unexpected, unpredictable medical costs

**93%** **Makes it easier** to handle medical bills and paperwork

**95%** Allows them to **see the doctors and specialists they know** without worrying too much about out-of-pocket costs

**85%** Losing their Medicare Supplement coverage would cause them **worry about losing financial security**

**3X** **Less likely to have problems paying medical bills** than seniors with traditional Medicare alone.



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### ABOUT AHIP

AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone.

Visit [www.ahip.org](https://www.ahip.org) to learn how working together, we are Guiding Greater Health.

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<sup>1</sup> According to a survey carried out by Global Strategy Group on behalf of AHIP in January 2021 (<https://www.ahip.org/new-research-shows-seniors-are-satisfied-with-medigap-coverage/>)