

Medigap

HEALTH INSURANCE



 **MICHIGAN
FARM BUREAU®**

Medigap

What is a Medigap policy?

A Medigap policy is health insurance sold by private insurance companies to fill the “gaps” in Original Medicare Plan coverage. Medigap policies are also known as Medicare supplemental policies. Medigap policies help pay some of the health care costs that the Original Medicare Plan doesn't cover. If you are in the Original Medicare Plan and have a Medigap policy, then Medicare and your Medigap policy will both pay their shares of covered health care costs.

The standard Medigap Plans

Insurance companies can only sell you a “standardized” Medigap policy. These Medigap policies must all have specific benefits so you can compare them easily. You may be able to choose from up to 12 different standardized Medigap policies (Medigap Plans A through L). The benefits in any Medigap Plan A through L are the same for any insurance company. For example, the benefits in one insurance company's Medigap Plan C are the same as any other insurance company's Medigap Plan C. Generally, the difference between Medigap policies sold by different companies might be:

- How the insurance company sets its own premiums.
- Whether there is a preexisting condition waiting period.

Farm Bureau's Medigap Plans

Farm Bureau offers Medigap Plans A and C through Blue Cross Blue Shield of Michigan, the most recognized name in health care.

About Farm Bureau

Michigan Farm Bureau is the state's largest general farm organization, with over 200,000 family members in 67 county Farm Bureaus. We have members from all over, from all walks of life — from rural, urban and suburban Michigan.

They belong to Farm Bureau for many reasons. Some join to take action on behalf of agriculture, the state's second largest industry. Others join to support Farm Bureau policies. Farm Bureau works on the local level, in Lansing and in Washington D.C. to support action not just on farm issues, but on many of the same things you're concerned about: protection of private property rights and the quality of the rural environment, tax policies and economic growth, and the quality and safety of our food supply.

Still other families belong to Farm Bureau so they can take advantage of our wide range of outstanding member benefits, like our health and dental insurance plans. Whatever the reason, becoming a part of the Farm Bureau family means joining with other people who share the goal of a prosperous economy and a safe society for today and for the future. For more information, visit our web site at www.michiganfarmbureau.com.

Medigap

Buying a Medigap policy

When you buy a Medigap policy, you must have Medicare Part A and Part B. You will have to pay the monthly Medicare Part B premium. In addition you will have to pay a premium to the Medigap insurance company. In most cases, as long as you pay your premium, your Medigap policy is guaranteed renewable. This means it is automatically renewed each year. Your coverage will continue year after year as long as you pay your premium.

A Medigap policy only works with the Original Medicare Plan. If you join a Medicare Advantage Plan or other Medicare Health Plan, your Medigap policy can't pay any deductibles, copayments, or other cost-sharing under your Medicare Advantage Plan or other Medicare Health Plan. Therefore, you may want to drop your Medigap policy if you join a Medicare Advantage Plan or other Medicare Health Plan. However, you have a legal right to keep the Medigap policy.

It is illegal for anyone to sell you a Medigap policy if you:

- Are in a Medicare Advantage Plan (unless your enrollment is ending).
- Have Medicaid (except in certain situations).
- Already have a Medigap policy (unless you are canceling your old Medigap policy).

ELIGIBILITY REQUIREMENTS

Eligibility requirements

To qualify for coverage, you must meet all of the following criteria:

- Be a Farm Bureau member.
- Be a Michigan resident and live in the state for a minimum of six months each year.
- Have both Parts A and B of Medicare.

We guarantee your acceptance

As a Farm Bureau member who resides in Michigan and is eligible for both Medicare Parts A and B, you cannot be turned down for any reason — even if you're under the age of 65.

There is no medical exam to take and no health questions to answer. There is no waiting period for preexisting conditions.

When your Medigap coverage will become effective

Your coverage effective date will be determined by your Medicare effective date and the date we receive your Medigap application. For example, if you enroll in Medigap Plan A or C within 30 days of your Medicare effective date, your Medigap coverage will begin protecting you on the same date your Medicare coverage begins.

If you enroll more than 30 days after your Medicare effective date, you will be assigned an effective date based on the date your completed application is received at Michigan Farm Bureau. Applications received by the 10th of a month will be effective the 20th of the following month.

If you are transferring from another Blue Cross Blue Shield of Michigan (BCBSM) plan or a Medicare Advantage plan, your Medigap coverage will start the day after your other plan cancels.

Medigap

Benefits Original Medicare does NOT pay in 2008

Part A Hospital Services*

\$1,024 initial hospital deductible each benefit period.

\$256 a day copayment for days 61-90 in a hospital.

\$512 a day copayment for days 91-150 (Lifetime reserve). 100% of Medicare allowable expenses for additional 365 days after Medicare hospital benefits stop completely.

Calendar year blood deductible (first 3 pints of blood) if the deductible is not met by replacement blood.

\$128 per day for days 21-100 in a Skilled Nursing Facility.

Part B Physician and Medical Services

\$135 Part B deductible.

20% of Medicare approved amount (Part B coinsurance) and 20% of Medicare approved charges for durable medical equipment (after \$135 Part B deductible is met).

Benefits Not Covered by Medicare

Benefits received for medically necessary emergency care received in a foreign country.

Blue Advantage Rx cost savings program.

(see this brochure for more information)

The affordable monthly rates for the plan of your choice:

* Hospital benefits must be provided by facilities participating with Medicare. A benefit period begins on the day you go into a hospital or skilled care facility when you haven't received any hospital or skilled care for 60 days in a row. When a benefit period ends, a new benefit period begins. The Medicare Part A deductible is \$1,024 per benefit period. There is a limit on the number of benefit periods you can have. After 90 days of hospitalization, you are responsible for 60 additional days (days 91-150) which are not renewable each benefit period.

BENEFITS AT A GLANCE

	Benefits paid by Medigap Plan A	Benefits paid by Medigap Plan C
		✓
	✓	✓
	✓	✓
	✓	✓
		✓
		✓
	✓	✓
		✓
	✓	✓
	\$35.24	\$107.09

Medicare. Payments are limited to the reasonable charge as into a hospital or Skilled Nursing Facility. The benefit period ends in a row. If you go into the hospital after one benefit period has must be paid for each benefit period. There is no limit to the tion, Medicare benefits are paid from a one-time lifetime reserve of benefit period.

Medigap

About our premium rates

Rates in this brochure represent the cost of one month of coverage for one person. Members are billed quarterly in February, May, August and November.

Our Medigap plans are not age rated. We charge everyone the same rate no matter how old they are.

Plans are guaranteed renewable. Premium rates are subject to change with 30 days written notice.

Blue Advantage Rx cost savings program

Farm Bureau members on our BCBSM Medigap plans who do not purchase a Medicare Part D prescription drug plan are automatically enrolled in our Blue Advantage Rx cost savings program at no additional charge.

When you show your BCBSM identification card at participating pharmacies, you'll be allowed to purchase prescriptions at the BCBSM negotiated rate, rather than the full retail price. This represents a savings of approximately 20% or more on average over the full retail price of prescription drugs.

In addition, before filling a prescription, your pharmacist will check the BCBSM prescription claims computer system to look for any drug interactions or duplications that may occur with other prescriptions you are taking. This can protect you and your family from adverse reactions that can lead to life-threatening illness and costly hospitalization.

THE FARM BUREAU ADVANTAGE

You can depend on us

For over 65 years, Michigan Farm Bureau has worked hand in hand with Blue Cross Blue Shield of Michigan (BCBSM) to provide our members quality health care coverage. We're committed to providing you quality, value and personal service that is unsurpassed.

We give you the personal service you want, need and deserve!

With Farm Bureau, you can enjoy a high level of personal service that other Medigap insurance programs would be hard-pressed to give. We have 67 local offices, one in virtually every county, to serve you. Each office has an administrative manager who can personally help you with any questions you may have. In addition, we have a special staff at BCBSM devoted solely to the needs of Farm Bureau members — and they're just a toll-free call away.



Medigap

You're guaranteed acceptance in the plan of your choice — regardless of your health.

As a Michigan resident eligible for both Medicare Parts A and B, you cannot be turned down for any reason — even if you're under the age of 65. There is no medical exam to take and no health questions to answer.

We give you full coverage from your effective date of coverage — with no waiting periods.

Our plans have no waiting periods whatsoever for you to satisfy before your benefits begin. If you have a health problem at the time you enroll, you will be covered the day your coverage begins with us — no ifs, ands or buts.

You can use the doctors and hospitals you like most.

Once enrolled, you'll get a personalized BCBSM identification card. Simply present it along with your Medicare card to the doctor or hospital you prefer to use whenever you need care. You're free to use the doctors and hospitals you want, and unlike HMOs, you'll never need "permission" from one doctor to see another. Our coverage is recognized and accepted by doctors and hospitals throughout the state and the U.S. With our Medigap Plan C, you even get benefits for medically necessary care received in a foreign country.

THE FARM BUREAU ADVANTAGE

We'll never raise your rates due to your age.

You cannot be singled out for a rate increase due to age or changes in your health. Rates can only be adjusted (up or down) if they are adjusted for all Medigap insurance subscribers in plans like yours in this state. Premium rates are subject to change with 30 days written notice.

Your coverage will never be canceled due to the number of claims you make.

This is coverage you can keep for life. It cannot be canceled because of frequent claims or any benefit disputes. If for any reason you are not satisfied with your Medigap plan, you may notify your local county Farm Bureau office. If you notify the Farm Bureau within 30 days of when your coverage becomes effective, BCBSM will cancel your coverage and refund all your premium payments.



How to apply for coverage

To apply for coverage, or for more information about Farm Bureau's Medigap plans, call or visit your local county Farm Bureau office. For the phone number and location of the office nearest you, call **1-888-294-4335** or go to our website at **www.mfbhealth.com**.

This is a prepaid health care coverage plan. Claims will not be paid and acknowledgement of coverage will not be given until the first premium payment is made.

This brochure is intended as an easy-to-read guide. It is not a contract. An official description of benefits is contained in applicable Blue Cross Blue Shield of Michigan (BCBSM) certificates and riders. This coverage is provided pursuant to a contract entered into in the State of Michigan and shall be construed under the jurisdiction and according to the laws of the State of Michigan.

Reward Yourself!
with member-only benefits from
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