

Life is Full of Important Choices

Let us help you make the right choice
for your 2015 Medicare insurance.



 BlueCross BlueShield
of Illinois

Through It All.[®]

bcbsil.com

Contact Information

Blue Medicare Supplement



Call

Toll Free: 1-877-566-1277

We are open 8 a.m. - 8 p.m., local time, 7 days a week. If you are calling from February 15 through September 30, alternate technologies (for example, voicemail) will be used on weekends and holidays. TTY/TDD: 711



Web

www.getblueil.com/medsupp



Seminars: An Insurance Sales Presentation

Find a free seminar near you: www.bcbsil.com/medicare/seminars



Write

Blue Cross Medicare Options • P.O. Box 3897 • Scranton, PA 18505-9947

Illinois Department on Aging

Illinois Department on Aging is a state program that gets money from the Federal government to give free local health insurance counseling to people with Medicare.

Call

1-800-252-8966 • TTY/TDD 1-888-206-1327

Web

www.state.il.us/aging

Write

Illinois Department on Aging

One Natural Resource Way Suite 100 • Springfield, IL 62702-1271

What is a Medicare Supplement Insurance Plan?

Medicare is the nation's largest health insurance program, covering things such as hospital stays, skilled nursing, and physician services. But Medicare was never meant to pay for everything. That is why Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, offers Medicare Supplement insurance plans — to help fill in the gaps that Medicare may not cover and leave you better protected.

How Do Medicare Supplement Insurance Plans Work?

Medicare Supplement insurance plans are offered by private health insurance companies and work together with Original Medicare. While Medicare will pay for many of your health care costs, Medicare Supplement insurance plans may help cover things that original Medicare does not, such as deductibles, copays and coinsurance.

Why Do I Need a Medicare Supplement Insurance Plan?

A Medicare Supplement Insurance Plan can protect you from some unexpected costs you may receive while using your Original Medicare coverage. In addition, many Medicare Supplement insurance plans offer coverage when traveling outside the United States, which Original Medicare does not.

Example

Suppose you have a \$5,000 ambulance bill, and you have already met the yearly Part B deductible (\$147 in 2015).



Ambulance Bill

\$5,000

Medicare Part B will pay 80% of your bill (minus the deductible amount if applicable). You are responsible for the remaining 20%.

80% Medicare Part B Pays

– \$4,000

If you do not have a Medicare Supplement insurance plan, in this scenario you would be responsible for a balance of \$1,000.

You Are Responsible for

\$1,000

If you have a Medicare Supplement insurance plan, you would owe nothing. Your Medicare Supplement insurance plan will then pay the remaining 20% (plus the Part B deductible amount when applicable)¹.

**With Medicare Supplement
You Are Responsible for**

\$0

¹ Plans F and High Deductible F cover 100% of your Part B deductible. Other plans will cover less. See the chart on page 6 for more information.

How Does Medicare Work?

There are four parts to Medicare, each providing different types of health care services. Medicare Supplement Insurance is often added on top of Parts A, B, and D to form a more complete medical coverage.

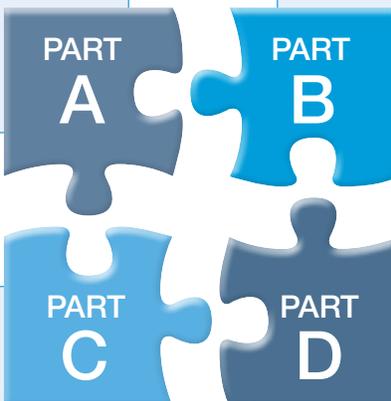
A Hospital Insurance

Helps pay for inpatient hospital care, skilled nursing facility care, home health care and hospice care. While most Americans are enrolled automatically in Medicare Part A, it alone may not cover all of your health care costs. Parts B, C and D are voluntary programs that provide additional coverage.



Medical Insurance B

Helps pay for covered doctor's services and many other medical services and supplies. If you don't enroll in Part B when you are first eligible for Medicare, you may have to pay a penalty later.



C Medicare Advantage Plans

Offers medical coverage through a network of providers, such as an HMO or PPO, that is an alternative to Original Medicare (Parts A & B). These plans may or may not cover prescription drugs.



Prescription Drug Coverage D

Helps pay for covered prescription medications. As with Part B, selecting a Part D plan when you are first eligible means you may not have to pay a penalty later.



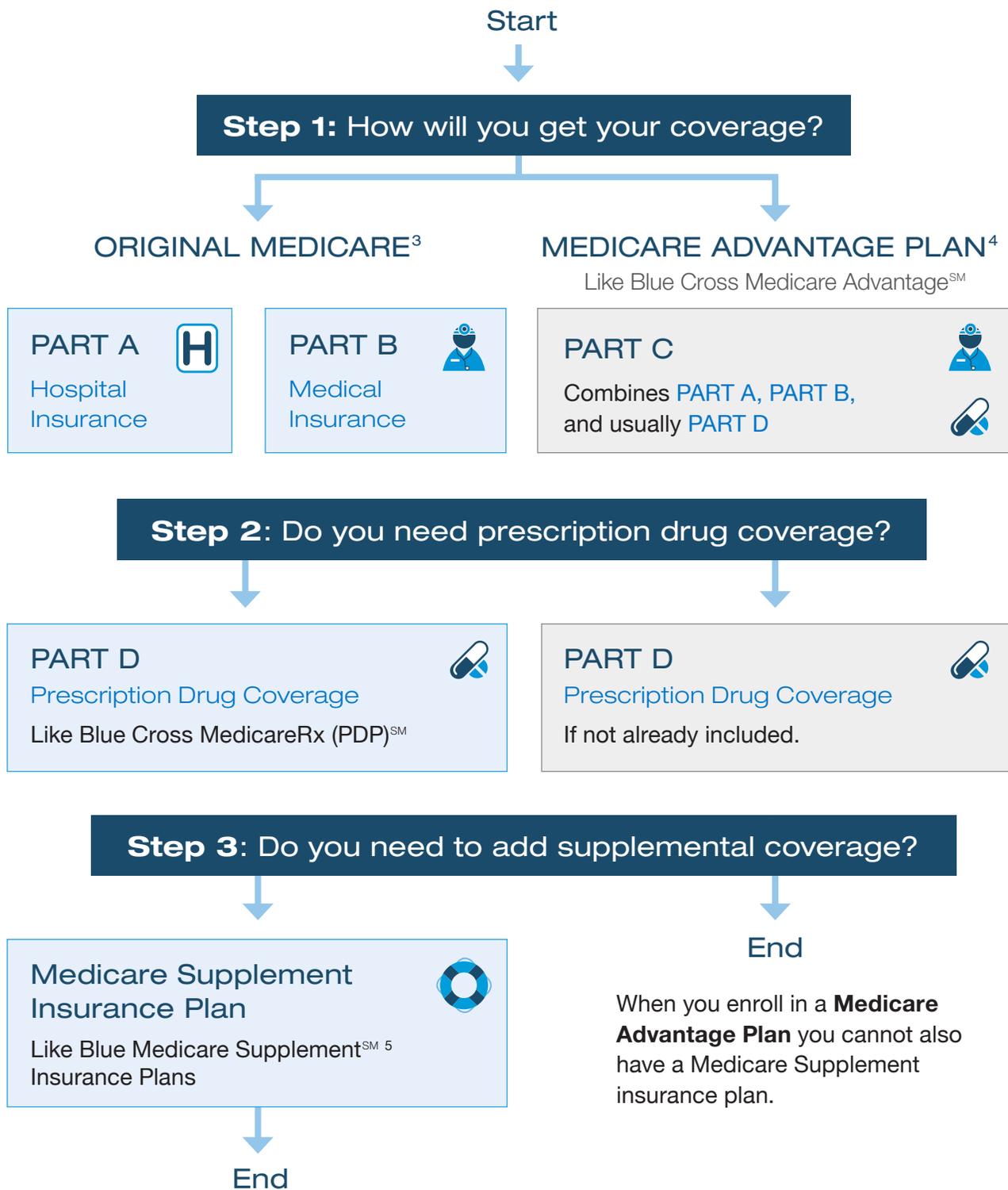
Medicare Supplement Insurance

Optional coverage helps to pay for expenses beyond what is covered by Medicare. There are several Medicare Supplement insurance plans, each with different benefits and premiums, so you can choose the plan that works best for your specific needs. Medicare Supplement insurance plans are identified by the separate letters "A" through "N".² The basic benefits of each plan are exactly alike for all insurance companies.

² Not all of these plans are offered by BCBSIL.

Understanding Your Medicare Choices

You can choose from two paths to reach the Medicare coverage you need. Here's how:



³ You are free to use any hospital or physician that is a Medicare contracted provider.

⁴ You must use network hospitals and doctors for maximum coverage and in non-emergency medical situations.

⁵ **Not connected with or endorsed by the U.S. Government or Federal Medicare Program.**

What Are My Plan Options and Coverage?¹

Medicare Supplement insurance plans are identified by the separate letters A, B, C, D, F, F-HD, G, K, L, M and N,² with each letter representing a different level of benefits. The chart below shows an overview of the different plan levels available.

	Basic Benefit Options		Comprehensive Plan Options			Budget-Conscious Plan Options			
	Plan A	Plan B	Plan C	Plan F	Plan G	High Deductible Plan F ⁷	Plan K ⁸	Plan L ⁸	Plan N
Reduced Premium Medicare Select Option Available ^{3,4} (eligibility based on ZIP code)		✓	✓	✓	✓		✓	✓	✓
Basic Benefits	✓	✓	✓	✓	✓	✓	100%/50%	100%/75%	✓ copay applies ⁸
Skilled Nursing Coinsurance			✓	✓	✓	✓	50%	75%	100%
Part A Deductible		✓	✓	✓	✓	✓	50%	75%	100%
Part B Deductible			✓	✓		✓			
Part B Excess				✓	✓	✓			
Foreign Travel Emergency Care ⁵			✓	✓	✓	✓			✓
Annual Out-of-Pocket Limit ⁶							\$4,940	\$2,470	

¹ In total we sell Medicare Supplement insurance plans A-C, F, HDF, G, K, L, and N as well as Medicare Select versions of B, C, F, G, K, L and N.

² Not all of these plans are offered by BCBSIL.

³ Network restrictions apply. Only certain hospitals are network providers under this policy. Check with your physician to determine if he or she has admitting privileges at the network hospital. If he or she does not, you may be required to pay for all expenses.

⁴ You must live within 30 miles of a participating Medicare Select hospital to be eligible.

⁵ Plans cover medically necessary emergency care services needed immediately because of an injury or illness of sudden and unexpected onset, beginning during the first 60 days of each trip outside the USA. There is a deductible of \$250 and a lifetime maximum benefit of \$50,000.

(Continues on page 7)

What Does a Medicare Supplement Insurance Plan Cover?

All Medicare Supplement insurance plans help provide coverage for some of the costs that Medicare doesn't pay, including:

Copayments:

An amount you may be required to pay as your share of the cost for a medical service or supply, like a doctor's visit, hospital outpatient visit, or prescription. A copayment is usually a set amount, rather than a percentage. For example, you might pay \$10 or \$20 for a doctor's visit or prescription.

Coinsurance:

An amount you may be required to pay as your share of the cost for services after you pay any deductibles. Coinsurance is usually a percentage (for example, 20%).

Deductibles:

The amount you must pay for health care before Original Medicare begins to pay.



**Learn more about your
Medicare Supplement
Insurance options at
www.getblueil.com/medsupp**

(Continued from page 6)

⁶ The out-of-pocket annual limit may increase each year for inflation (2015 limits shown).

⁷ Plan F also has an option called a high-deductible Plan F. This high-deductible plan pays the same or offers the same benefits as Plan F after one has paid a calendar year \$2,180 deductible. Benefits from high-deductible Plan F will not begin until out-of-pocket expenses are \$2,180. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan's separate foreign travel emergency deductible.

⁸ Plans K and L provide for different cost-sharing for items and services than the other plans we offer. Once you reach the annual limit, the plan pays 100% of the Medicare copayments, coinsurance and deductibles for the rest of the calendar year. The out-of-pocket annual limit does NOT include charges from your provider that exceed Medicare approved amounts, called "excess charges". You will be responsible for paying excess charges.

⁹ Plan N requires a copayment of up to \$20 for office visits and a copayment of up to \$50 for ER.

Eligibility and Enrollment

Who is Eligible for a Medicare Supplement Insurance Plan?

To be eligible for a Medicare Supplement insurance plan, you must be enrolled in Medicare Parts A and B. For the most part if you qualify for Original Medicare, you qualify for a Medicare Supplement insurance plan too.

When Do I Need to Apply?

Since you are new to Medicare, you should apply for your Medicare Supplement insurance plan during your Initial Enrollment Period. Open enrollment is the six-month period beginning on the first day of the month in which you are enrolled in Medicare Part B. During this period, you are guaranteed acceptance¹, regardless of past medical history. If you are on Medicare under age 65, you will also have a six-month open enrollment period when you reach age 65.



Will I Be Able to Keep My Current Doctor?

Most Medicare members can continue to see their current doctors. The choice to take part in Medicare, however, is up to the doctors. If a doctor does not accept Medicare and the patient decides to keep seeing that doctor, the patient is required to pay all of the costs of visits and treatments.

Can I Change My Mind about Blue Medicare Supplement after I Have Applied?

Yes, if you are not satisfied for any reason, you can surrender your policy within your 30-day policy review window. Once you have applied, you will receive a welcome packet of information, including your Explanation of Benefits which explains your policy and your rights.

¹ As long as you are age 65 or older, have Medicare Part A and are within the six months following your enrollment for Medicare Part B, your acceptance is guaranteed. If you are under age 65, have Medicare Part A and are within the six months following your enrollment for Medicare Part B, your acceptance is guaranteed for Plan A. If you are on Medicare under age 65, you will also have a six month open enrollment period when you reach age 65. If you are turning age 65, were previously enrolled in Medicare Parts A and B, and apply within six months of turning age 65, your acceptance is guaranteed.

Need Prescription Drug Coverage?

Medicare Supplement insurance plans do not include prescription drug coverage. If you are Medicare eligible and need prescription coverage, then Blue Cross MedicareRxSM may be right for you. This plan is in addition to your Original Medicare and your Medicare Supplement insurance plan.

Part D Eligibility and Enrollment

To be eligible for a Part D plan, you must be entitled to Medicare Part A or enrolled in Medicare Part B, and you must be a Illinois resident. Keep in mind you can contact us if you have questions. We're always happy to help.

Part D Enrollment Period

As with Original Medicare and Medicare Supplement insurance plans, you have a seven-month Initial Enrollment Period to enroll in Part D. If you miss your enrollment period, in most cases, you can enroll or switch plans only during the Annual Enrollment Period, October 15 to December 7. Some other enrollment periods may apply.

Late Enrollment Penalty

The Medicare Part D late enrollment penalty may be added to your premium if you didn't join a Medicare prescription drug plan when you were first eligible for Medicare. It also may be added if you don't have other creditable prescription drug coverage such as qualifying group coverage or Veterans Affairs benefits, or, you are without Medicare prescription drug coverage or other creditable coverage for at least 63 days in a row. The 1% penalty for every month not enrolled is added to your monthly premium.²



Learn more by visiting
www.getblueil.com/pdp

² The late enrollment penalty is calculated by multiplying 1% of the "national base beneficiary premium" (\$31.17 in 2013) times the number of full, uncovered months you were eligible but didn't join a Medicare prescription drug plan and went without other creditable prescription drug coverage.

The final amount is rounded to the nearest \$.10 and added to your monthly premium. The national base beneficiary premium may increase each year, so the penalty amount may also increase each year.

Why Choose Blue Cross and Blue Shield of Illinois?

Blue Cross and Blue Shield of Illinois is a name you can trust, and has been serving the people of Illinois for more than 75 years. Our Blue Medicare Supplement insurance plans offer in-depth health care coverage to help protect you, while also offering our high-level customer service and additional benefits.

Here Are Ten Great Reasons to Choose BCBSIL:

1. A choice of seven BCBSIL Medicare Supplement insurance plans to help you cover Medicare gaps.
2. Virtually hassle-free claims processing.
3. A name recognized by doctors and specialists everywhere.
4. Reliable coverage from a respected industry leader.
5. Helpful individual service from Medicare Supplement insurance agents.
6. 98 percent of our subscribers say they are satisfied.¹
7. Blue Access for MembersSM (BAM) is a secure member website where you can find more about your policy, see if claims have been completed, sign up for alerts about claim activity, print a temporary ID card, view up to 18 months of claim history, and more.
8. Over 75 years of experience, know-how, and service to Illinois residents.
9. Blue365^{®2} member discount program offers you discounts on things like exercise equipment, health club and gym memberships, weight loss programs, stop smoking programs, health products and more.
10. Easy, online application is available.

¹ Source: Over 65, BCBSIL, member loyalty survey 2014, 12-month rolling average

² The relationship between these vendors and Blue Cross and Blue Shield of Illinois (BCBSIL) is that of independent contractors.

Blue365 is a discount program only for BCBSIL members. This is NOT insurance. Some of the services offered through this program may be covered under your health plan. Please check your benefit booklet or call the customer service number on the back of your ID card for specific benefit facts. Use of Blue365 does not change your monthly payment, nor do costs of the services or products count toward any maximums and/or plan deductibles. Discounts are only given through vendors who take part in this program. BCBSIL does not guarantee or make any claims or recommendations about the program's services or products. You may want to talk to your doctor before using these services and products.

BCBSIL reserves the right to stop or change this program at any time without notice.

Closing the Medicare Coverage Gap

Take these steps to help protect yourself against uncovered, unexpected medical costs.

- Step 1:** Use the coverage chart included on page 6 to familiarize yourself with Blue Medicare Supplement insurance plans offered. Keep in mind that all plans feature a basic benefits package that covers a significant portion of the Medicare gap.
- Step 2:** The outline of coverage must accompany this brochure. For complete information on benefits, exceptions, limitations and reductions, please read your outline of coverage and your policy.
- Step 3:** Note the differences between plans. Some Medicare Supplement insurance plans feature additional coverage options. To help lower costs, some other plans offer less comprehensive benefits or higher cost sharing.
- Step 4:** Consider your situation, compare plan costs, including monthly premium and out-of-pocket expenses, and apply for the plan that best fits your needs.



Next Step



Use Our Online Selection Tool
www.getblueil.com/options



Call Us
1-877-566-1277 • TTY/TDD 711



Blue Medicare SupplementSM

Learn More About Blue Medicare Supplement Today.



Web

Our secure online selection tool has simple, step-by-step instructions that make it easy:

www.getblueil.com/medsupp



Seminars: An Insurance Sales Presentation

Find an educational seminar near you:

www.bcbsil.com/medicare/seminars



Call

Our insurance agents will walk you through your options:

1-877-566-1277 • TTY/TDD 711



One-on-One Meeting

Find an agent and schedule a one-on-one meeting to discuss the best Blue Medicare Supplement insurance plan for your needs.

www.bcbsil.com/medicareagents

Medicare Supplement Insurance Plan Notice:

Medicare Supplement insurance plans are offered by Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, A Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association.

Medicare Part D Plan Notice:

Prescription drug plan provided by Blue Cross and Blue Shield of Illinois, which refers to HCSC Insurance Services Company (HISC), an independent licensee of the Blue Cross and Blue Shield Association. A Medicare-approved Part D sponsor. Enrollment in HCSC's plans depends on contract renewal.