

Medicare Supplement Frequently Asked Questions

HOUSEHOLD DISCOUNT

Q: How does the household discount work?

A: The household discount:

- Is only available with Medicare Supplement plans with effective dates of May 1, 2019 and later.
- Is not available to members with legacy plans (plans with effective dates prior to May 1, 2019).
- Is not available to members on list bill accounts.
- Is 7% of the monthly premium as of January 1, 2021 or the first invoice after then.
- Is applied after validating that the member is eligible.

Q: The household discount wasn't always 7%, right?

A: Right. It used to be 3%. As of January 1, 2021, it will be 7% for all plans. A member's first bill due on or after January 1, 2021 will reflect this change.

Q: Who is eligible?

A: Any members of the same household who have (or are applying for) Medicare Supplement plans effective May 1, 2019 and later are eligible for the discount.

Q: Is the household discount applied to all members of the household?

A: Yes. If all members living at the same address are enrolled in plans with effective dates of May 1, 2019 and later, all members may receive the discount.

Q: Is the 7% discount available on each policy or just one policy?

A: The household discount applies to every person in the household that qualifies.

Q: Does the household discount only apply to couples?

A: No. The household discount applies to everyone living at the same address. They don't have to be related, married or partners.

Q: If a couple receives the 7% discount, then one of them goes to a nursing home in the future, would the couple lose their discount?

A: No. We verify addresses for the household discount when the member enrolls. If a member of the household leaves the address for any reason (except when resulting in list billing), the household discount still applies

Q: If a couple has the household discount, what happens if one of them passes away?

A: The household discount still applies.

Q: Do both members have to be on the same plan to get the discount?

A: No. For example, one member may have Plan G and another may have Plan N. However, both members must be enrolled in plans with an effective date of May 1, 2019 and later.

HOUSEHOLD DISCOUNT (continued)

Q: If both members of the household need to reapply/apply does the current member have to cancel their current legacy plan?

A: The existing plan will be canceled automatically. Note: Members should be reminded that payments on new plans must be sent to the following address:

Blue Medicare Supplement
P.O. Box 650039
Dallas, TX 75265-0039

Q: If a Medicare Supplement member with a June 1, 2019 effective date has a spouse that intends to enroll in a Medicare Supplement plan in December, what would the first spouse need to do to be considered for the household discount?

A: The household discount is not automatically applied. The member who enrolled first will have to contact customer service when the member who qualifies them for a household discount enrolls. Call the customer service number on the back of the ID card or send a letter requesting the discount to the following address:

Blue Medicare Supplement
c/o Member Services
PO Box 3388
Scranton, PA 18505

Q: If a husband is enrolled in a legacy plan and a wife is enrolled in a new plan, but they want the household discount, does the husband have to apply for a new plan?

A: Yes. Both members of the household must have plans with effective dates May 1, 2019 and later. New applications go through the underwriting process unless applicants are applying within their Medigap open enrollment period.

Q: If both members must have “new” plans to receive the household discount, is there guaranteed issue for the member that is currently on the legacy plan?

A: Once a consumer is outside of their Medigap open enrollment period, enrolling in a new plan may mean they lose guaranteed issue protections.

As a reminder, a guaranteed issue Medicare Supplement plan does not undergo the underwriting process. We can't deny coverage or refuse to cover pre-existing conditions if the consumer is enrolling within their Medigap open enrollment period.*

A consumer can apply for a guaranteed issue Medicare Supplement plan during the consumer's own open enrollment period. This six-month period begins on the first day of the month the consumer has Medicare Part B. The Medigap open enrollment period is specific to each person.

The Medigap open enrollment period should not be confused with the ACA open enrollment period (Nov. 1 through Dec. 15 each year) or the Medicare, MAPD and PDP annual enrollment period (Oct. 15 through Dec. 7 each year).

* There are other instances where consumers have guaranteed issue rights to a Medigap policy.