

Anthem Offering Plan G in Virginia – Effective July 1, 2017

May 18, 2017

Virginia Medicare Supplement Rate Action, Effective July 1, 2017

Anthem has added **Plan G to the Virginia Medicare Supplement portfolio** for new enrollment as of July 1, 2017. As an agent in the Medicare market, you already know that Plan G covers most of what's covered in Plan F. Plan G does not cover the Medicare Part B deductible (which in 2017 is \$183). Both plans do cover the Medicare Part A (hospital) coinsurance and deductibles and Medicare Part B (medical) copayments and coinsurance, including Part B excess charges.

Applicants wishing to enroll into Plan G will be required to go through medical underwriting unless they are in their Open Enrollment Period (turning age 65 or first eligible for Medicare Part B) or they have a guaranteed issue (GI) right situation that allows for enrollment into any Medicare Supplement Plan that a carrier has available in the market. In Virginia, GI situations that allow enrollment into ANY plan include:

- The Individual joined a Medicare Advantage Plan or Programs of All-inclusive Care for the Elderly (PACE) when first eligible for benefits under Medicare Part A at age 65, and, within the first year of joining, they have decided they want to switch to Original Medicare.

Additional points regarding the new Plan G:

- If a member is enrolled in the gender-rated Plan F, they would need to complete a new application for Plan G and go through medical underwriting.
- If a member has already enrolled recently in Plan F, we will allow them to change to Plan G if they are still in their Open Enrollment Period. Otherwise they would have to go through medical underwriting without a GI right into another plan.
- If an application is received for Plan G as a GI plan and they are coming from a group plan, we will notify the broker and member generally around three business days that this plan is not a GI plan and they will need to select another plan.

Linked here is an Anthem Medicare Supplement [Quick Reference Guide](#). This Guide is for your reference and includes summary information such as Open Enrollment, GI right situation movement and internal plan movement. ***This Guide is not to be provided to prospects or applicants.***

The [Outline of Coverage](#) effective July 1, 2017, has been linked for reference to show the Plan G premium that was approved by the Virginia Bureau of Insurance.

The updated 2017 Presale Kit with Plan G is currently available to order through CustomPoint. However, the Online Store Shop/Enroll website will not be updated to allow for enrollment into Plan G until the June 16th release.

Anthem has received rate approval from the Virginia Bureau of Insurance (BOI) for our Blue Assurance (Closed) and Modernized Plans that renew on July 1, 2017.

There are a few important items that we would like to share with you regarding Virginia's Medicare Supplement plans. Here is some key information to help you in your selling efforts:

New to Medicare Discount Program - Available on Plan F!

For policies with a coverage effective date as of July 1, 2016, or later, we have introduced a New to Medicare Discount Program. The monthly premium discount is \$15 per month. The discount is for the first twelve (12) months of coverage for those who meet the eligibility requirements. See the Quick Reference Guide.

Savings of \$180 off the first twelve (12) months of coverage!

Your clients can receive a 5% discount on each of their contracts if there is more than one Medicare Supplement policy written in a household. In addition, they can receive \$2 per month off their premium if they enroll for automatic monthly premium withdrawals taken directly from their bank account or \$48 for the year if they pay annually.

What information will my clients receive about their renewing plan?

Beginning the end of May, your clients will receive a renewal letter regarding their coverage. This letter will show the premium that Anthem will bill the member upon the renewal effective date. See the links below for copies of the information your clients will receive:

[Renewal Letter](#)

[Important Information about premiums and other costs for Medicare plans](#)

The chart below shows the rate action that was approved by the Virginia Bureau of Insurance for Anthem, effective July 1, 2017:

Virginia Approved July 2017 Medicare Supplement Rates	
Plan	Approved Change
Modernized - Marketed	
Mod A	-4.0% (decrease)
Mod F	2.5%
Mod N	-10.0% (decrease)
Modernized - Non-Marketed	
Mod HD F	2.5%
Mod G	-24.0% (decrease)
Mod GI B Basic	0.0%
Mod GI B Disabled	0.0%
Total	1.3%

Refer to the linked Outline of Coverage to show the premium that was approved by the Virginia Bureau of Insurance.

The charts below show the premium that was approved by the Virginia Bureau of Insurance for Anthem, effective July 1, 2017, for the Unisex plans that are NO longer marketed and were sold PRIOR to March 1, 2015:

CLOSED PLANS											
Mod - Area 1	Premium Effective July 1, 2017										
Unisex Rating	65	66	67	68	69	70	71	72	73	74	75+
Plan A	\$81	\$87	\$91	\$95	\$97	\$101	\$107	\$108	\$110	\$114	\$119
Plan F	\$139	\$153	\$161	\$169	\$177	\$183	\$192	\$199	\$207	\$212	\$232
Plan F HD	\$34	\$37	\$40	\$42	\$46	\$49	\$51	\$54	\$57	\$60	\$67
Plan G	\$90	\$100	\$104	\$110	\$116	\$120	\$125	\$130	\$135	\$139	\$151
Plan N	\$81	\$90	\$95	\$99	\$105	\$108	\$114	\$118	\$121	\$126	\$137

CLOSED PLANS											
Mod - Area 2	Premium Effective July 1, 2017										
Unisex Rating	65	66	67	68	69	70	71	72	73	74	75+
Plan A	\$81	\$87	\$91	\$95	\$97	\$101	\$107	\$108	\$110	\$114	\$119
Plan F	\$135	\$149	\$156	\$165	\$173	\$178	\$186	\$194	\$201	\$207	\$226
Plan F HD	\$34	\$37	\$40	\$42	\$46	\$49	\$51	\$54	\$57	\$60	\$67
Plan G	\$90	\$100	\$104	\$110	\$116	\$120	\$125	\$130	\$135	\$139	\$151
Plan N	\$81	\$90	\$95	\$99	\$105	\$108	\$114	\$118	\$121	\$126	\$137

CLOSED PLANS		
Modernized	Premium Effective July 1, 2017	
Plan B		
Plan B GI	>65 1/2 failed medical UW	\$830
Plan B Disabled	<65 on Medicare due to disability	\$1,097

Age-related premium change:

Except for Plan B Guaranteed Issue Basic and Disabled, all plans are attained-age products, which means that, as enrollees reach a new age category, their premium will change based on the new age category. The age-related premium changes occur during the July renewal of each year. Therefore, while there may not be a medical cost increase, your client could see an increase due to the rating method for the product. If a birthday occurs during the renewal month, the age change will not occur until the next renewal. If an individual is age 75 or older, their premiums will not change based on their new age as the age-related premium change caps at age 75.

There is no rate guarantee for new business.

If a member decides to move out of a plan not currently marketed, he or she cannot return to that plan - except in limited circumstances. If a member enrolls in an open plan just before a renewal for that plan and there is a rate adjustment, increase or decrease, the member may be subject to that change. For example, if a member enrolls in June 2017 and the plan renewal date is July 1, 2017, the member will be subject to the July 1 rate adjustment.

Why is a rate adjustment necessary?

Rate adjustments are necessary for several reasons. First, the Centers for Medicare & Medicaid Services (CMS) generally updates deductible and coinsurance amounts effective January 1 of each

year. This means our plans that cover the deductible and coinsurance amounts may have to pay more in benefits. In addition, the cost of providing health care services continues to increase each year, and the population covered by Medicare Supplement policies tends to need more health care services as they grow older.

At Anthem, we're committed to helping you succeed. We know you are a huge part of our strength and success, and we value your commitment to the members.

If you have any questions, please contact your Sales Director, Regional Sales Manager or Broker Support at 1-800-633-4368.

Thank you for your continued support!

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This article applies to:

- Virginia
- Senior and Medicare