

Fall in Love with MEDICARE ADVANTAGE + HOSPITAL INDEMNITY

Autumn and the Annual Enrollment Period will soon be in full swing! A good way to rake in more money this year is by piling on the benefits. See why Medicare Advantage (MA) plans and hospital indemnity (HI) plans make the perfect pair!

Change Is in the Air



Between 2007 and 2017, Medicare's share of spending on hospital inpatient benefits decreased from **47%** to **42%**.¹

In 2011, the average out-of-pocket (OOP) limit for MAPD enrollees was **\$4,313**. Today, it's **\$5,059** for in-network MA services (HMOs and PPOs) and **\$8,649** for both in-network and out-of-network MA services (PPOs).²



But It's Not All "Bad"

34% of Medicare beneficiaries are in MA plans.³

About **47%** of Medicare beneficiaries will be in MA plans by 2029.⁴

Both individual and group HI products are available from about 40% of carriers.⁵

New and redesigned HI products are being offered from carriers each year!



You Can Start a New Tradition

For someone aged 65 to 84 years old...

- The mean length of a hospital stay is 5.2 days.⁶
- The mean cost of a hospital stay is \$14,500.⁷

During appointments, you can review clients' MA benefits and the OOP costs they might have to pay if a health issue arises.

HI plans help to:

- Fill in coverage gaps
- Limit OOP expenses
- Earn agents extra money year-round
- Make up for lost commission on replacement MA plans

As long as you stay compliant, you can ask questions like:

- Would you say you live on a fixed income?
- Would you be able to afford a hospital visit?
- How about a hospital stay lasting a few days?



And Cover Your Clients

\$0 — to low-premium MA plans can leave clients with high deductibles and copays.

HI plans provide a fixed amount of money directly to the beneficiary upon hospitalization.

This benefit can help pay for:

- Deductibles
- ER visits
- Observation stays
- Surgeries
- Medications
- Ambulance transportation
- Transportation and lodging
- Health screenings and more!

Better than pumpkin spice: HI plans don't have any network restrictions!



Just Don't Go Wild

The best time to pitch hospital indemnity plans is at a follow-up appointment.

Your clients must check the hospital indemnity related box on their Scope of Appointment form for you to be able to discuss these products at a Medicare Sales appointment.

- Stand-Alone Medicare Prescription Drug Plans (Part D)
- Medicare Advantage Plans (Part C) and Cost Plans
- Dental/Vision/Hearing Products
- Hospital Indemnity Products
- Medicare Supplement (Medigap) Products

Get more information on selling MA and HI together! Call 800-769-1847.

Sources:

¹Cubanski, Juliette, and Tricia Neuman. "The Facts on Medicare Spending and Financing." Kaiser Family Foundation, 22 June 2018.

^{2,3,4}Jacobson, Gretchen, et al. "A Dozen Facts About Medicare Advantage in 2019." The Henry J. Kaiser Family Foundation, 6 Jun. 2019.

⁵Bade, William S., et al. "Session 74 IF: Hospital Indemnity Growth & Pricing Considerations." 2016 SOA Annual Meeting & Exhibit, The Society of Actuaries, Oct. 2016, The Cosmopolitan of Las Vegas, Las Vegas, NV. Conference Presentation, p. 23

^{6,7}Freeman, William J., et al. "HCUP Statistical Brief #246: Overview of U.S. Hospital Stays in 2016: Variation by Geographic Region." Agency for Healthcare Research and Quality, Dec. 2018.