What is Medigap Insurance?

Medicare provides basic protection against the cost of health care, but it does not pay all medical expenses. For this reason, many private insurance companies sell supplemental insurance policies known as “Medigap” policies. The federal government does not sell or service insurance, but regulates the coverage offered by Medigap insurance. Many Medicare beneficiaries enrolled in Part A (Hospital Insurance) and Part B (Medical Insurance) also maintain Medigap policies to cover costs not paid for by Parts A and B.

Medigap insurance is a private insurance policy designed to help pay deductibles and/or coinsurance incurred by beneficiaries who are enrolled in original Medicare Part A (Hospital Insurance) and Part B (Medical Insurance). A Medigap policy may also pay for certain items or services generally not covered by Medicare at all, such as medical expenses incurred during foreign travel. Medigap policies coordinate only with original Medicare Parts A and B, not with Medicare Advantage plans. By law, a Medicare beneficiary cannot be sold a Medigap plan that duplicates benefits otherwise available to that beneficiary under Medicare, including through a Medicare Advantage plan.