



# MOOP:

**Why You Want  
It and Where  
You Can Get It**

Protect yourself from out-of-pocket healthcare costs

## When you turn 65, you're eligible for a wealth of benefits from one of the largest group health plans in the world.

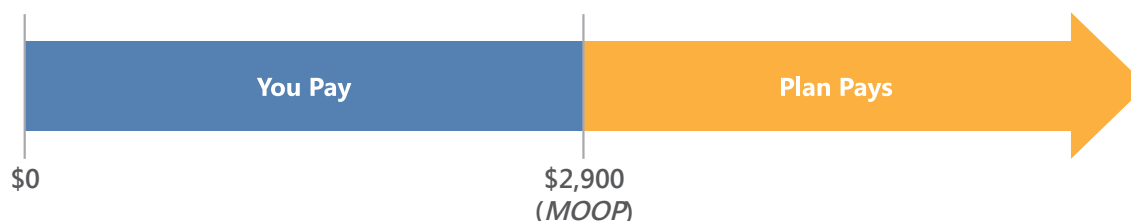
Medicare is a valuable program, there is no doubt about that – especially when you are able to get every benefit to which you are entitled. To be sure you get the most protection against the high cost of healthcare, it is important to understand some of the ins and outs of the program. With just a few steps, you can avoid having unforeseen medical expenses that could put your savings and retirement at risk if you experience a serious injury or illness.

Original Medicare (Part A and Part B) covers 80 percent of your medical expenses. This leaves 20 percent of costs that are not covered by Medicare completely up to you. Though 80 percent is a good portion, 20 percent can add up quickly, especially when there's no limit to the amount you may have to spend out of your own pocket. For example, average treatment for breast cancer, according to an extensive

2009 study by PharmacoEconomics, can reach up to \$110,000 if surgeries and chemotherapy are required. If you are responsible for 20 percent of those expenses, you will have to pay \$22,000. Should complications arise and treatments outside of the norm needed, that out-of-pocket expense will keep going up. Since Medicare puts no limit on the amount you can be responsible for, you really cannot budget for an unexpected change in your health.

Fortunately, Medicare comes with options that allow you to protect your finances. For example, by signing up for a Medicare Advantage (MA) plan, you will have a limit to what you might

have to pay, called the maximum out-of-pocket (MOOP) amount. Though companies can set their own out-of-pocket limit, the government requires that MOOP limits not exceed a certain amount. In Missouri, for example, the average MOOP is between \$2,300 and \$6,700\*. For our example, let's say your MOOP is \$2,900. With this protection, the example above looks entirely different. If you have a condition that requires expensive treatments, even if the final bill runs over \$100,000, the maximum out-of-pocket you will have to pay in a year for covered medical expenses in our example is \$2,900. The MOOP protects your savings should anything serious arise.

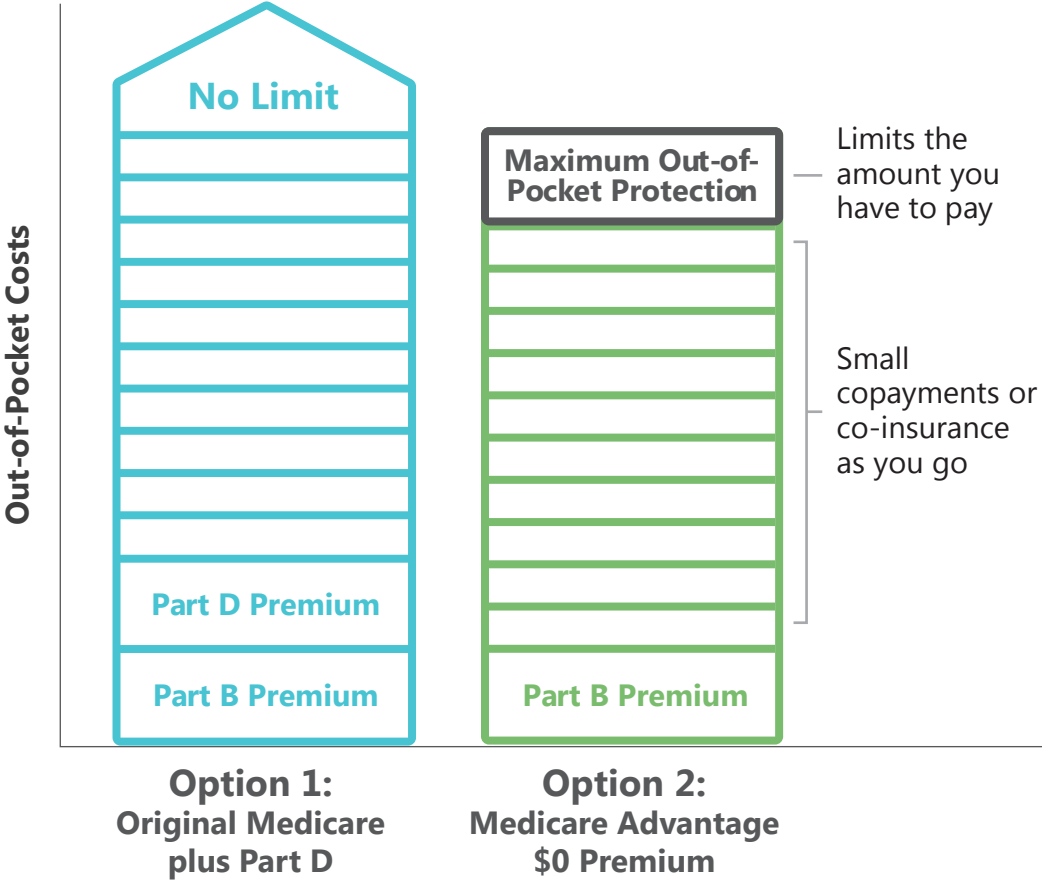


*"...even if the final bill runs over \$100,000, the most you will ever have to pay in a year for your medical expenses is \$2,900."*

A MOOP is actually the second level of protection in a Medicare Advantage plan. The first level of protection is similar to traditional insurance where a large percentage of medical costs are covered, and you pay small copayments when you use your plan, like in a visit to the doctor. On average, a visit to your primary care physician (PCP) will cost you around \$10 with a Medicare Advantage plan. Many MA companies offer a \$0 premium option for a plan that covers all the benefits of Medicare, plus many more. With a \$0 premium, you only spend your own money when you actually use healthcare services. You will have no automatic debits from your bank account or any monthly premium payments to make. If you see the doctor six times in a year, you may only spend \$60 dollars to see your PCP.

The second way a Medicare Advantage plan offers you financial protection is through the MOOP. In case of a serious illness or injury, the MOOP guarantees that you never have to pay more than your plan's out-of-pocket limit. This is

really your catastrophic insurance policy. No matter what unexpected health situation may arise, you can plan for the most you will ever have to pay for your covered medical care.



The MOOP also works with your deductible, but it is a bit different. Let's compare the two.

- When your plan has a deductible amount, you are generally responsible for 100 percent of your medical costs until that deductible is met. Then, once you meet your deductible, you may still be responsible to pay a small percentage of your medical care.
- With a MOOP, you receive all the benefits of your coverage even before you reach your out-of-pocket limit. Any deductibles you pay add up into your MOOP, and when you do reach that MOOP limit, you are no longer

responsible for any of your covered medical expenses. All medical copayments from the moment you reach your MOOP are 100 percent covered — guaranteed.

A Medicare Advantage plan that provides a MOOP limit is a great option to cover what Original Medicare does not. It provides coverage to help with immediate expected costs, and it provides catastrophic medical coverage should you ever need it. It's one way to guarantee your savings and retirement will remain intact — an easy step to make sure you get the most protection you can from your Medicare plan.



*All medical copays from the moment you hit your MOOP are 100 percent covered — guaranteed.*

