

## **WHERE YOU LIVE AFFECTS YOUR MEDICARE INSURANCE PREMIUM**

**By Woodrow Wilcox**

Where a person lives is important for insurance purposes. Insurance companies rate the possibility of claims on several criteria and residence location is a key factor. This is especially true for senior citizens who buy Medicare supplemental insurance policies.

The Medicare supplemental insurance policy helps the senior citizen to pay the 20% of approved medical service charges and the deductible which Medicare does not pay. Where a senior citizen lives affects the rates for service paid because every area of the country has different rates for medical services.

For example, in Indiana, some insurance companies that sell Medicare supplemental insurance rate northwest Indiana and parts of Saint Joseph County as having the highest charges by hospitals and doctors of any areas of Indiana. For this reason, a senior citizen who lives in Lake County, Porter County, or Saint Joseph County will pay a higher monthly premium for Medicare supplemental insurance than a similar senior citizen who lives in Lafayette, Kokomo, or Seymour.

Moving from one state to another affects the monthly premium for Medicare supplemental insurance, too. For example, a senior citizen who moves from Indiana to Florida will usually experience about a 50% increase in monthly premiums for Medicare supplemental insurance even though the policy benefits are the same. But, moving to another state might reduce the senior citizen's premium for Medicare supplement insurance.

For example, this agency had clients who moved from Crown Point to the Chattanooga Tennessee area. The senior citizen couple experienced a savings of almost \$400 per month on their Medicare supplemental insurance premiums even though they kept the same benefits. Another couple from Hebron who moved to Columbia, Tennessee experienced a similar reduction. Both couples were surprised to find that their other insurance costs, their utility costs, and their property taxes dropped significantly, too.

I suggest to senior citizens who want to move to a different area of the state or the country that they call insurance agents in the new location to check on insurance costs before they make a move. Don't just check on insurance either. Check on utility costs, property taxes, crime rates, and other key factors that are important to every senior citizen who plans to live on a fixed income.

Written by Woodrow Wilcox on August 3, 2006.