

Medicare Advantage vs. Medicare Supplement

How to Choose



Ortonville Area Health Services

After enrolling in the Medicare program, beneficiaries must decide how they want to receive their Original Medicare, Part A and Part B, benefits and whether they need additional coverage. This means that they will have to decide if a **Medicare Advantage plan** is right for them, or if they should stick with **Original Medicare coverage and sign up for a Medicare Supplement plan** for added benefits.

Each of these Medicare plan options come with different benefits, costs, and rules; hence, it is important to weigh both options carefully before choosing.

What is Medicare Advantage?

Also called Medicare Part C, Medicare Advantage plans provide coverage through private insurance companies approved by Medicare. These companies provide all the benefits of Part A and Part B, with the exception of hospice care (that remains covered by Medicare Part A). These plans sometimes also include additional benefits, such as vision, dental, and/or prescription drug coverage. Note that people with end-stage renal disease (ESRD) generally do not qualify for Medicare Advantage plans. When you join a Medicare Advantage plan, you must continue paying your Part B premium.

What is Medicare Supplement?

Also known as Medigap, Medicare Supplement plans are offered by private insurance companies and can take care of certain health care costs not covered by Original Medicare, like deductibles, premiums, and copayments. There are 10 standardized plans in 47 states, while Massachusetts, Minnesota, and Wisconsin each have their own plan offerings. Plans are categorized by letter—A, B, C, D, F, G, K, L, M, and N—and plans of the same letter offer the same benefits. However, insurance companies can offer plans at different prices; therefore, you may have different out-of-pocket costs, even if the standardized plan benefits are the same. These plans do not provide prescription drug coverage. This means that you will have to enroll in a stand-alone Medicare Prescription Drug Plan for medication coverage.

While Medicare Supplement plans help with deductibles and other expenses not paid by Original Medicare, they do not cover services if Original Medicare does not cover them. For example, they do not cover long-term care, dental care, or eye glasses.

How do I choose?

When deciding on a plan, it's essential to compare the benefits and costs in relation to your specific health care needs. With Medicare Advantage plans, you must continue to pay your Part B monthly premium, in addition to the monthly premium for your plan. However, although Medicare Supplement plan benefits are standardized, costs can vary between plans with the same benefits and are generally more expensive.

When comparing the benefits and costs of plans in your area, be sure to take these key factors into consideration:

- Deductibles
- Monthly premiums
- Anticipated costs of health care and hospital services you use often
- Restrictions on doctors, hospitals, and pharmacies
- Expected costs of prescription drugs that you require regularly
- Maximum out of pocket amounts

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Can't I have both?

No, Medicare Advantage plans do not work with Medicare Supplement plans. This means that you cannot use your Medigap plan to take care of the copayments, premiums, or deductible from your Part C Medicare Advantage plan.

What if I choose Medicare Advantage?

If you decide to enroll in a Medicare Advantage plan after being in Original Medicare (Part A and Part B) for some time, you may want to cancel your Medigap plan since it cannot be used to pay for Medicare Advantage costs. If you do drop your Medigap plan in this scenario, you have a guaranteed right to purchase another Medigap policy if you decided to disenroll from the Medicare Advantage plan while you are still in a "trial period." In most cases, a trial period lasts for twelve months after a person enrolls in a Medicare Advantage plan for the first time.

This is just a brief introduction to Medicare Advantage and Medigap. Your own needs and preferences are an important factor in your choice of plan. If you're confused, I can help you get more comfortable with your options.

For additional guidance, information or additional assistance regarding Medicare and Insurance coverage for seniors contact the Senior Linkage Line at 1-800-333-2433.