

Medicare Coverage Choices at a Glance

Step 1: Decide how you want to get your coverage

Original Medicare

Part A
Hospital
Insurance

Part B
Medical
Insurance

Medicare Advantage Plan

Combines Part A, Part B and usually Part D.

Step 2: Decide if you need to add drug coverage

Original Medicare

Part D
Prescription Drug Coverage

Medicare Advantage Plan

Part D
Prescription Drug Coverage
(if not already included in plan)

Step 3: Decide if you need to add supplemental coverage

Original Medicare

Medigap
(Medicare Supplement Policy)

Medicare Advantage Plan

If you join a Medicare Advantage Plan, you don't need and can't be sold a Medigap policy.

Contact the LDI Senior Health Insurance Information Program for help in deciding which type of policy is best for you and your individual needs and circumstances.



1-800-259-5301
www.lidi.la.gov/SHIIP



MEDICARE ADVANTAGE PLANS VS MEDICARE SUPPLEMENT POLICIES

WHICH IS RIGHT FOR YOU?



Senior Health Insurance Information Program
Louisiana Department of Insurance
James J. Donelon, Commissioner

This public document was produced by the Louisiana Department of Insurance and is available online.

What is a Medicare Advantage Plan (MA Plan)?

Medicare Advantage Plans (Part C) are offered by private companies whom Medicare pays to cover hospital (Part A) and medical (Part B) benefits. Some MA Plans include prescription drug coverage (Part D) and some provide vision and dental services.

Who can join a MA Plan?	You must have Medicare Parts A and B and live in the plan's service area to be eligible. People with End-Stage Renal Disease generally can't join a MA Plan.
How much do MA Plans cost?	In addition to the Part B premium, you usually pay one monthly premium for the services included in the plan. Each MA Plan has different premiums and costs for services.
What do MA Plans cover/not cover?	MA Plans must cover all of the services that Original Medicare covers except hospice care, which is still covered under Original Medicare. All types of MA Plans cover emergency and urgent care. Most cover prescription drugs and many include dental, vision and wellness programs.
What else should you know about MA Plans?	<p style="text-align: center;">Types of MA Plans:</p> <p>Health Maintenance Organizations (HMO): You can only go to health care providers and hospitals in the plan's network, except for emergency/urgent care. You may need a referral from your primary physician for tests and specialists.</p> <p>Preferred Provider Organization (PPO): You pay less if you use health care providers and hospitals in the plans network and pay more if you decide to go outside of the network.</p> <p>Private-Fee-for Service Plans (PFFS): Like Original Medicare, you can usually go to any health care provider as long as they accept the plan's payment terms. The plan determines how much it will pay for services and how much you will pay for care.</p> <p>Special Needs Plans (SNPs): Provide focused and specialized health care for special groups of people such as those on both Medicare and Medicaid, those in a nursing home and those with certain chronic conditions.</p> <p>HMO Point-of Service Plans (HMOPOS): HMO plans that may allow more freedom to get services out-of-network for a higher copayment or coinsurance and possible deductible.</p> <p>Medical Savings Account (MSA): Combine a high-deductible plan with a bank account where Medicare deposits money in the account and you use the money to pay for services. Does not include prescription drug coverage.</p>

What is a Medicare Supplement Policy (Medigap)?

A Medigap policy is private insurance that helps pay for health care costs that Original Medicare doesn't cover, such as copayments, coinsurance and deductibles.

Who can buy a Medigap policy?	You must have Parts A and B to be able to buy a Medigap policy. The best time to buy a policy is on the 1st day of the month you turn 65 and/or enroll in Part B.
How much do Medigap policies cost?	You pay a monthly premium which varies depending on the plan. Plans called "Medicare Select" may cost less but will only provide benefits if you use specific health care providers or hospitals.
What do Medigap policies cover/not cover?	Medicare will pay its share of the approved amounts for covered health care costs, then the Medigap policy will pay its share. Medigap does NOT cover prescription drugs. For prescription drugs you must get a stand-alone Medicare Prescription Drug Plan that works with Original Medicare.
What else should you know about Medigap policies?	<p>A Medigap policy covers only one person, so spouses must each have their own policy. Except for Medicare Select policies, Medigap policies can be used anywhere in the United States. Medigap policies are guaranteed renewable even if you have health problems. This means the insurance company can't cancel your Medigap policy as long as you pay the premium.</p> <p>You can compare rates among companies selling policies in Louisiana with the Medicare Supplement Comparison Guide located in the SHIIP publications page, www.Ldi.la.gov/SHIIP.</p>

IMPORTANT:

- Medicare Supplement policies only work with Original Medicare.
- You will only need a Medicare Advantage Plan (MA Plan) or a Medicare Supplement Policy (Medigap)...NOT BOTH.