

# Medicare Supplement vs. Medicare Advantage

Medicare supplement insurance, or Medigap, is coverage that you can add to Original Medicare Parts A and B. Medicare Advantage (Part C) is an alternative to Original Medicare Parts A and B. It's a different way to get your Medicare benefits.

Both Medicare supplement insurance plans and Medicare Advantage plans are offered by private insurance companies approved by Medicare. With either choice, you continue to pay a monthly Part B premium to Medicare. The main things to think about when deciding between them are:









- Do you want the choice of any provider *or* are you willing to choose a provider from within a provider network?
- Would you rather buy a separate prescription drug plan *or* get drug coverage included in one plan?
- Would you rather pay more in monthly premiums and have lower out-of-pocket costs for services you receive *or* pay a low or \$0 monthly premium and co-pays for services as you use them?
- What's the Difference Between Medicare Supplement Insurance and Medicare Advantage?

## More about Medicare Plan Costs

It's a good idea to look at the big picture when deciding between Medicare supplement insurance and Medicare Advantage. Think about how you will use your benefits and consider all the costs of Medicare.

The sole purpose of a Medicare supplement insurance plan is to help pay some out-of-pocket costs not paid by Original Medicare (Parts A and B), like deductibles, co-pays and co-insurance. There is no cap on these costs with Original Medicare, and different plans pay different costs. You pay a monthly Medicare supplement insurance plan premium, the Medicare Part B premium and a premium for a prescription drug plan, if you want one.

Most Medicare Advantage plans provide all your coverage—including drug coverage—in one plan, similar to employer plans you may have had. You pay a low or \$0 monthly plan premium and a co-pay or co-insurance when you receive a health care service. Medicare Advantage plans are required to cap your annual out-of-pocket costs. Premiums do not count toward the cap. You continue to pay the Part B premium to Medicare.

	 <b>Medicare supplement insurance plans</b>	 <b>Medicare Advantage plans</b>
 <b>Doctors and hospitals</b>	You can select your doctors and hospitals as long as they accept Medicare patients.	You may be required to use doctors and hospitals in the plan network.
 <b>Referrals</b>	You can see specialists without referrals.	You may need referrals and may be required to use network specialists.
 <b>Network</b>	No network restrictions. Coverage goes with you across the United States.	You may have network restrictions. Emergency care is covered for travel within the United States and sometimes abroad.
 <b>Enrolling</b>	You can apply to buy a Medicare supplement insurance plan any time after you turn 65 and join Medicare Part B.	Generally, there are specific periods during the year when you can enroll or switch to another Medicare Advantage plan.
 <b>Costs</b>	You pay a monthly plan premium in addition to your Part B premium. When you use services, your out-of-pocket costs are limited.	Generally, you pay a low or \$0 monthly plan premium in addition to your Part B premium. When you use services, you pay co-pays, co-insurance and deductibles.
 <b>Prescription drug coverage</b>	Prescription drug coverage is not included. Consider also purchasing a Medicare Part D plan.	Prescription drug coverage is included with most plans.