

GET INTO THE MEDICARE MINDSET



WE PROVIDE

EDUCATION & ADVICE

We clarify the various "parts" of Medicare (A, B, C, D, Medigap) and help you clearly see the difference between Original Medicare & Medicare Advantage.

PERSONALIZED RECOMMENDATION

We will recommend the most suitable route, whether that means delaying Medicare coverage or enrolling at the earliest eligibility.

MEDICARE TRANSITION

When the time is right, we will provide the easiest transition to Medicare with a clear representation of the insurance market. We can even help you get enrolled in Medicare Parts A & B.

ONGOING SUPPORT

We are here to help with all your Medicare needs, even as circumstances and plans change.

COMPLIMENTARY GUIDANCE

There is no cost to work with us. If we help you enroll in a supplemental plan, the insurance carrier compensates our agency (The Med Plan Store).



For questions and support, please contact:

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 [youtube.com/medicaremindset](https://www.youtube.com/medicaremindset)

Supplemental insurance plan
analysis and enrollment guidance
provided through our team at
The Med Plan Store

Licensed in: OH, KY, IN, FL, GA, IL,
NC, SC, TN

the MedPlanSTORE

We Simplify Medicare 

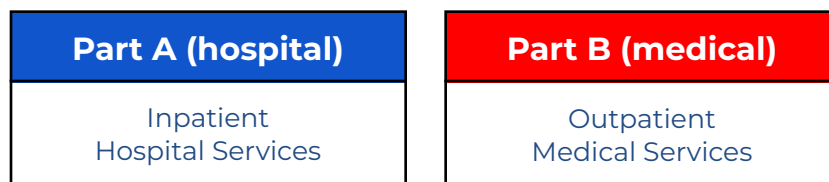
www.medplanstore.com

What is Medicare?

Medicare is a federal health insurance program in the United States, initially approved in 1965. It's administered by the Centers for Medicare and Medicaid Services (CMS).

Medicare is available primarily for those turning age 65 who have met certain work and citizenship requirements, but is also available for those with disabilities (as determined by the Social Security Administration), End-Stage Renal Disease (ESRD), and ALS (Lou Gehrig's Disease).

Medicare has two primary parts:



These combined are what's commonly called **Original Medicare or Traditional Medicare**.

Other "parts" of Medicare are available to purchase at certain times, but are provided exclusively through insurance carriers. These include:

- [Medicare Supplement \(Medigap\) Plans](#)
- [Prescription Drug \(Part D\) Plans](#)
- [Medicare Advantage \(Part C\) Plans](#)

This presentation PDF is accessible at: www.medicaremindset.com/medicare101



Medicare Eligibility (Who Is Eligible?)

VIDEO: [Medicare Eligibility](#)

Age (Turning 65)

You can enroll in Part A & Part B, as long as...

- You're turning 65 in the next four months...AND
- You're a US citizen (or permanent legal resident who has lived in the US for at least 5 years)

You will pay no monthly premium for Part A, as long as...

- You've contributed to the Medicare system for 40+ quarters (about 10 years of work)

Note: If you don't have enough work history, you may be able to enroll under your spouse's work record...assuming you've been married at least 1 year, your spouse has 40+ quarters of work and is at least age 62. This is also available under an ex-spouse's record if you were married at least 10 years.

Disability

When receiving Social Security disability benefits for 2 years (actually on the 25th month), you'll automatically be enrolled in Part A & Part B. You'll receive your Medicare card about 3 ½ months prior to the 25th month of benefits.

End-Stage Renal Disease (ESRD)

If your kidneys no longer function, and you need dialysis or have already had a kidney transplant...you're eligible for Medicare...but one of these items need to be true also:

- You have enough work quarters to qualify (based on age ranges...consult with Social Security to confirm eligibility)...OR
 - You're already receiving Social Security benefits...OR
 - You're the spouse or dependent child of a person who meets one of the above requirements
-

ALS (Lou Gehrig's Disease)

If you have ALS, you're automatically eligible for Medicare when your monthly Social Security disability benefits begin. So your Medicare card will arrive in conjunction with the start of your Social Security disability benefits.

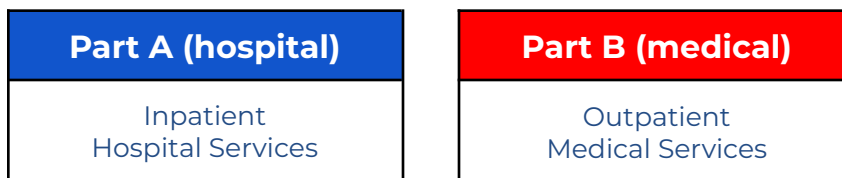
Medicare & Employer Coverage (Who Pays First?)

- All situations below assume you're eligible for Medicare, either based on age (turning 65) or disability (prior to 65). Additional scenarios and details are at: [How Medicare Works With Other Insurance](#)
- If you're receiving Social Security retirement or disability benefits, you must keep Medicare Part A. Part B is optional, depending on your situation.

If you	Situation	Primary	Secondary
Are 65+ and covered by an employer health plan based on your active work or your spouse's active work	The employer has 20 or more employees	Employer health plan	Medicare (Parts A & B optional)
	The employer has less than 20 employees	Medicare (need both Parts A & B)	Employer health plan
Are on Social Security disability prior to age 65 and covered by an employer health plan based on your active work or your spouse's active work Note: You must keep Medicare Part A in this situation	The employer has 100 or more employees	Employer health plan	Medicare (Part B optional)
	The employer has less than 100 employees	Medicare (need both Parts A & B)	Employer health plan
Are covered by COBRA (at any age) after separating service from your employer or your spouse's employer	Any size employer	Medicare (need both Parts A & B)	COBRA
Are 65+ and covered by a retiree employer health plan (not based on active work)	Retiree plan coordinates with Medicare	Medicare (need both Parts A & B)	Retiree plan
	Retiree plan is a Medicare Advantage plan	Retiree plan (still need Parts A & B)	N/A

Medicare Basics

Core Coverage Through Medicare



Part A (hospital)

In general, Part A covers:

- Inpatient hospital care
- Skilled care or nursing home care in a nursing facility (NOT custodial or long-term care services)
- Hospice care
- Home healthcare (in some instances)

[What Part A Covers](#)

Part B (medical/outpatient)

There are really too many Part B items to mention, so you'll see a list of some of the common services below:

- Doctor's office visits
- Laboratory services
- Diagnostic imaging (i.e. MRI, CT scan)
- Outpatient surgery
- Outpatient physical therapy & occupational therapy
- Insulin (if administered through an insulin pump), and certain insulin supplies
- Chemotherapy & radiation
- Durable medical equipment
- Infusions in a clinical setting

Part B also covers a comprehensive list of **preventive services** at 100%, such as annual wellness visits, certain vaccinations, mammograms, colonoscopies, and more. Some items are no-cost each year, but others could be on a 2yr, 5yr, or 10yr interval. The full list and guidelines can be accessed from the link below.

[What Part B Covers](#) | [Part B Preventive Services](#)

2024 Costs for Part A & Part B Services

Part A (hospital)

(A benefit period ends 60 days after release from care)

Inpatient Hospital Stay - You Pay...

- **Deductible: \$1,632** per benefit period
- Coinsurance (days 1-60): \$0 per day of each benefit period
- Coinsurance (days 61-90): \$408 per day of each benefit period
- Coinsurance (60 lifetime reserve days): \$816 per day after day 90 of each benefit period

Skilled Nursing Facility Stay - You Pay...

- Coinsurance (days 1-20): \$0 per day of each benefit period
- Coinsurance (days 21-100): \$204 per day of each benefit period
- **Note:** A 3-day inpatient hospital stay is required first before skilled care is approved

Part B (medical/outpatient)

Part B Deductible - You Pay... \$240 calendar year

Part B Coverage - You Pay... Generally 20%, after \$240 deductible is met

[Medicare Costs At A Glance](#)

IMPORTANT NOTE:

The costs you see above are in a vacuum, assuming you have only Part A & Part B coverage (no supplemental insurance).

In reality, you likely will have either a Medigap plan or a Medicare Advantage (Part C) plan that alters these out-of-pocket costs.

Medicare Parts

Part A (hospital)
Inpatient Hospital Services
No premium for most

Part B (medical)
Outpatient Medical Services
Premium based on income

OPTION #1

Original Medicare

File Claims Through Parts A & B First

Medigap Pays Claims After Parts A & B

Medicare Supplement (Medigap)

Helps Pay Some of
Healthcare Costs
Allowed by
Original Medicare

**Must Be Enrolled in Part A & Part B
To Buy a Medigap Plan**



Prescription Drug (Part D)

Helps Pay For
Approved Medications

**Must Be Enrolled in Part A or Part B
To Buy a Prescription Drug Plan**

OPTION #2

Medicare Advantage

Do Not Use Medicare Card

**File Claims Through Medicare
Advantage Plan**

Medicare Advantage (Part C)

Combines Part A, Part B, & Part D
Hospital, Medical, & Drug Coverage

Like a PPO or HMO

**Must Be Enrolled in Part A & Part B
To Buy A Medicare Advantage Plan**

Premiums for Part A & Part B (including high income premiums for B & D)

Part A (hospital)

Most Medicare beneficiaries DO NOT pay a premium for Part A. This is because of paying into Medicare during your work history.

[Medicare Costs At A Glance](#) shows the premium for Part A, if you don't have 40+ work quarters paid into Medicare.

Part B (medical/outpatient) **see next page for Medicare premium table**

A note on high income Medicare premiums:

Medicare premiums paid to the government are based on your modified adjusted gross income from 2 years ago. If your income was high 2 years ago, you can appeal for a lower premium...as long as you have a **Life Changing Event**...AND...your income drops to a lower income range. The most typical life changing event is a Work Stoppage, but there are others to choose from. You'll use **Form SSA-44** to file the appeal, which can be accessed at www.ssa.gov/forms or at our website link below.

Instructions on how to submit an IRMAA appeal: www.medicaremindset.com/irmaa

VIDEO: [How To Appeal Your High Income Medicare Premiums](#)

A note on filing taxes separately from your spouse:

If you're married and file taxes separately from your spouse, be very careful. If your individual income 2 years ago is above \$103,000, you will have a very high Medicare premium (see next page).

2024 Medicare Premiums

(including high income premiums for Part B & Part D)

Standard Part B premium: \$174.70/mo premium (per person)

Higher income earners will pay a **Part B IRMAA (Income Related Monthly Adjustment Amount) in addition** to the \$174.70/mo standard premium (see table below).

Higher income earners who are enrolled in Part D prescription drug coverage also pay a **Part D IRMAA in addition** to the monthly insurance premium for a Part D plan or Medicare Advantage plan that includes Part D coverage (see table below).

If your MAGI (Modified Adjusted Gross Income)* in 2022 was...			You pay in 2024 (per person) Monthly premiums to Medicare**	
Individual Tax Return	Joint Tax Return	Married & Separate Tax Return	Part B Premium + IRMAA	Part D IRMAA (in addition to Part D plan premium)
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$174.70	---
\$103,001 to \$129,000	\$206,001 to \$258,000	N/A	\$244.60 (174.70 + 69.90)	+ \$12.90
\$129,001 to \$161,000	\$258,001 to \$322,000	N/A	\$349.40 (174.70 + 174.70)	+ \$33.30
\$161,001 to \$193,000	\$322,001 to \$386,000	N/A	\$454.20 (174.70 + 279.50)	+ \$53.80
\$193,001 to \$499,999	\$386,001 to \$749,999	\$103,001 to \$396,999	\$559.00 (174.70 + 384.30)	+ \$74.20
\$500,000 +	\$750,000 +	\$397,000 +	\$594.00 (174.70 + 419.30)	+ \$81.00

* 2022 MAGI = Adjusted Gross Income (Form 1040 line 11) + Tax-Exempt Interest (Form 1040 line 2a)

** If you're receiving Social Security benefits, the premium will be deducted from your monthly benefits. Otherwise, you'll be billed every 3 months...so multiply the above premiums by 3 in that scenario.

Medicare & Health Savings Accounts (HSAs)

HSA Contributions Beyond Age 65

If you intend to stay on an employer health plan and keep contributing to an HSA, you can continue to do so **as long as you don't enroll in any Medicare**.

When you do enroll in Medicare and/or Social Security retirement benefits in the future, **your Part A start date will be backdated up to 6 months from the month you submit the enrollment**. This backdating can negatively impact your HSA contribution eligibility.

HSA Contributions In The Year Medicare Part A Begins

In the year Medicare Part A begins, you can contribute to your HSA on a pro-rata basis...based on the # of months you DID NOT have Medicare. Over-contributions are not tax-deductible and can create a tax penalty. Check with your tax advisor for details.

For example, if your Medicare Part A starts April 1st, that means you weren't on Medicare from January through March (3 months out of the year). So you can contribute 3/12's of the HSA maximum contribution for that tax year (and 3/12's of the catch-up contribution).

Health Savings Account (HSA) Contribution Limits	
	2024
Individual Coverage (employee + employer)	\$4,150
Family Coverage (employee + employer)	\$8,300
Catch-up (age 55+)	\$1,000

Approved HSA Expenses

While you're on the employer health plan or fully on Medicare, you can use the HSA for IRS-approved medical expenses, which are detailed in [IRS Publication 502](#).

More information about HSAs can be found in [IRS Publication 969](#).

- Specific to Medicare, you can use your HSA to pay your Medicare Part B premium, High Income IRMAA premium, Part D premium, Medicare Advantage premium, and of course any IRS-approved medical and prescription drug expenses.
- You **CANNOT** use your HSA to pay a Medicare Supplement (Medigap) plan premium.

For more details on HSAs & Medicare: www.medicaremindset.com/hsa

VIDEO: [Medicare's Impact on Health Savings Accounts \(HSAs\)](#)

Medicare Enrollment Periods (for Parts A & B only)

VIDEO: [Medicare Enrollment Periods](#)

[Part A & Part B Sign-Up Periods](#)

Initial Enrollment Period (IEP)

This period surrounds your 65th birthday month (or entitlement month, due to disability). It's a total of 7 months (3 months before your b-day month, your b-day month, and 3 months after your b-day month).

Notes:

- **You can sign up for Medicare in the 4 months prior to your b-day month.**
- **If you're already receiving Social Security benefits, you'll be automatically enrolled in Parts A & B.** In this situation, you must keep Part A, but can deny Part B. Your Medicare card will arrive about 3 ½ months prior to your b-day month.
- **Start dates are always the 1st of the month**, even if your birthday is later in the month. However, if your birthday is the 1st of the month, your eligibility month is one month sooner. For example, if your birthday is July 1st, you'll be eligible June 1st.

Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
			Month you turn 65			

- **Part A** – The start date will be the 1st of your b-day month, regardless of which month you enroll during your 7-month Initial Enrollment Period (IEP).
- **Part B** – The month you submit the enrollment determines the start date. Part B will begin the 1st of your b-day month...unless you sign-up in month 4, 5, 6, or 7 (see below).

If you sign up in this month of your IEP	Your Part B starts
Month 1, 2, or 3	1st of b-day month
Month 4, 5, 6, or 7	1st of next month

If you have 40+ work quarters paid into Medicare, you can enroll in Medicare at www.ssa.gov

Instructions on how to submit your IEP enrollment: www.medicaremindset.com/iep

VIDEOS: [How To Create A My Social Security Account](#)
[How To Enroll In Medicare Online](#)
[How to Get Proof of Medicare Coverage \(Benefit Verification Letter\)](#)

Medicare Enrollment Periods (for Parts A & B only)

Special Enrollment Period (SEP)

If you delay Medicare Part B because you're covered under a group health plan based on current employment (yours or spouse's), you qualify for a Special Enrollment Period (SEP).

You will NOT be penalized and can enroll in Parts A & B as follows:

Anytime you or your spouse are working, and you're covered by a group health plan through the employer, based on that active work. *

Or...During the 8-month period that begins the month after employment ends or when the group coverage ends, whichever is first.

Notes:

- **There is never a penalty for enrolling in Part A late**, if you have 40+ work quarters paid into Medicare...or if you enroll in Part A through your spouse's work record.
- **If you don't have Part A yet, Part A will backdate 6 months** from the month you submit the application.
- **Submit the application for Part B within 3 months of the requested start date.** Part B will be a future start date (up to 3 months in future).
- *** Enroll in Part B within the 8 months after separating service.** COBRA and retiree health plans are NOT considered coverage based on current employment. You are NOT eligible for a SEP when that coverage ends.

Instructions on how to submit your SEP enrollment: www.medicaremindset.com/sep

General Enrollment Period (GEP)

If you didn't sign up for Part B during your IEP or SEP time frames, you can only enroll during the GEP.

January 1st through March 31st

Part B Start Date

Part B will start the 1st of the month after the month you submit the application.

Depending on when your Part B starts (February 1st, March 1st, or April 1st), and how long you've gone without Part B, you could potentially have a **late enrollment penalty**.

PENALTY: Unless you qualify for a SEP, you'll pay a 10% higher Part B premium for every 12-month period you went without Part B. The penalty is assessed monthly and for as long as you have Part B.

Medicare Enrollment Periods (Supplemental Insurance Plans)

Medicare Supplement (Medigap) Plan

Medigap Open Enrollment - first 6 months of Part B

When you buy a Medigap plan, you'll be automatically accepted, regardless of your health history...as long as the plan starts **during the first 6 months you're enrolled in Part B**.

- If you change your Medigap plan to another Medigap plan after having Part B for more than 6 months, you typically need to answer health history questions about your pre-existing conditions. This means approval is NOT guaranteed.

Note: You can attempt to change your Medigap plan any time of year.

Prescription Drug (Part D) Plans & Medicare Advantage (Part C) Plans

There are NO health history questions to enroll in or switch these plans.

Annual Election Period (AEP) ["Open Enrollment"] Oct 15th - Dec 7th

- If you have a **Part D plan and want to switch to another Part D plan**, simply submit an application between 10/15 - 12/7. The new plan will take effect January 1st.
- If you have a **Medicare Advantage plan and want to switch to another Medicare Advantage plan**, simply submit an application between 10/15 - 12/7. The new plan will take effect January 1st.
- You can also **switch from a Medigap plan to Medicare Advantage** during AEP.

Note: Switching from Medicare Advantage to a Medigap plan will usually require you to answer health history questions (approval is not guaranteed).

Medicare Advantage Open Enrollment Period (MA-OEP) Jan 1st - Mar 31st

This enrollment period is ONLY for those currently enrolled in a Medicare Advantage plan.

- You can submit only ONE application during this period...to switch to any other Medicare Advantage plan available in your service area.
- You can also go back to Original Medicare, and obtain a Medigap plan (medically underwritten) and a Part D drug plan.

Note: If you have Original Medicare (A & B), a Medigap plan, or a Part D Drug plan...you CANNOT utilize the MA-OEP to switch your Part D plan or switch to Medicare Advantage.

Should You Enroll In Medicare?

If You're Covered in an Employer Health Insurance Plan

VIDEO: [Medicare & Employer Health Insurance](#)

Here are 7 items you need to consider...

1. Will you retire at age 65 or continue working?

- If you (or your spouse) plan to retire at age 65 and you'll lose the employer health insurance, then you'll definitely enroll in Medicare Parts A & B when first eligible.
- If you plan to keep working (or are covered by your spouse's active work), then look at the following items...

2. Are you covering a younger spouse or dependent?

- If you intend to keep working beyond age 65 and are covering a younger spouse or other dependents on your employer health plan, you likely will stay on the plan and delay all or certain parts of Medicare initially.

3. Do you have higher income? Medicare premium vs. Employer plan premium

- As described earlier, the premium paid to Medicare is based on income. If you're still working and have income above the standard limits, your Medicare Part B premium will be higher. And not only will you have a higher Part B premium, but Part D will be more expensive.
- If your income is high, it's likely more beneficial to stay on the employer health plan because the cost to go on Medicare could be more expensive.
- In the future, you can use a Life Changing Event (i.e. retirement/work stoppage) as a rationale to appeal for lower Medicare premiums...if you have reduced income in retirement.



Should You Enroll In Medicare?

4. How many employees work for the employer?

- **If 20+ (or 100+ when eligible based on disability)...**

Primary: Employer health plan

Secondary: Medicare (A & B) - if you enroll

- This means you can really delay both Parts A & B (or just delay Part B) **without penalty** in this situation. Assuming you like your existing health plan and want to stay on it, you should delay Part B enrollment, as there is a monthly cost associated with it.
- Some Medicare beneficiaries enroll in only premium-free Part A in this situation, which is fine, as long as you're not contributing to an HSA (Health Savings Account).

- **If under 20 (or under 100 when eligible based on disability)...**

Primary: Medicare (A & B)

Secondary: Employer health plan

- Since Medicare is primary, you need to enroll in Parts A & B when first eligible. Your employer health plan will typically act as though you have A & B and pay less on all claims.
- This also means you'll be paying for both the Part B premium AND the employer health insurance premium.
- However, if you're still covering a younger spouse on the plan, you'll need to stay put while you're still working...potentially until your spouse is Medicare-eligible.



Should You Enroll In Medicare?

5. Do you contribute to a Health Savings Account (HSA)?

- If you plan to stay on your employer health plan beyond age 65 and contribute to your HSA, **DO NOT** enroll in any part of Medicare.
- If you're the HSA account owner, and your spouse who is a dependent on the employer health plan has a part of Medicare, that will **NOT** impact your ability to contribute to the HSA account up to the maximum for family coverage.
- Remember to be careful with regard to your contributions in the year your Part A begins. Enrolling in Social Security and/or Medicare after your Initial Enrollment Period in Medicare will cause **Part A to be backdated up to 6 months from the month you submit the enrollment.**
- **For more details on how HSAs are impacted by Medicare enrollment, go to our HSA page: www.medicaremindset.com/hsa**

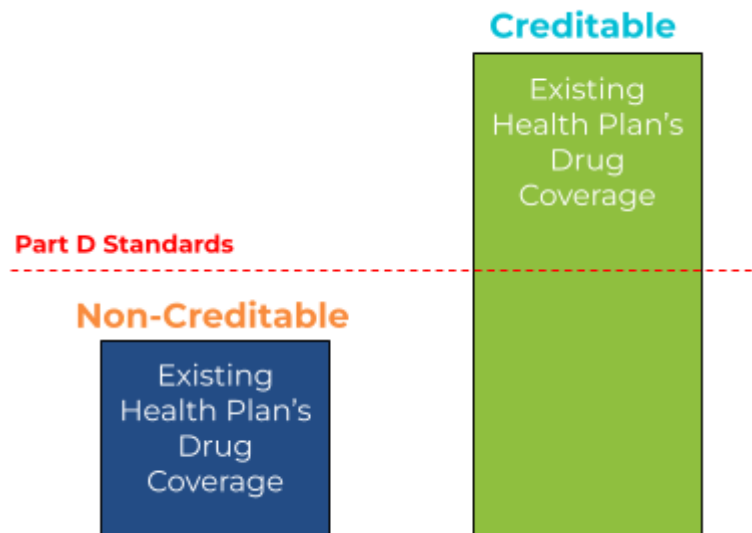
6. How does the employer plan coverage stack up to Medicare coverage?

- If your employer plan has a pretty low deductible and max out-of-pocket limit...and the premium is relatively low...you may want to stay as-is and delay all or most of Medicare.
- If your employer plan has a high deductible and max out-of-pocket limit...and the premium is higher than you would like...you may want to consider leaving the employer plan and going fully on Medicare with supplemental coverage.
- And regardless of the monthly premium...if you regularly meet your plan's deductible and max out-of-pocket limit, and spend significant dollars in medical expenses on top of the plan premiums...then Medicare could make more sense.



Should You Enroll In Medicare?

7. Is the prescription drug coverage **CREDITABLE**, as compared to Medicare Part D minimum standards?






- Medicare requires that you get Part D coverage during your Initial Enrollment Period, or you might begin to accumulate a Part D late enrollment penalty.
- **However, you won't be penalized for delaying Part D, as long as you already have CREDITABLE prescription drug coverage.**
 - **Note:** Your medical coverage is not being questioned here. If you have medical coverage through an employer (based on active employment), you have creditable medical coverage.
- Your employer health plan may or may not have creditable prescription drug coverage. You need to verify this with your employer. **Ask this...**
 - ***Does our health insurance plan have creditable prescription drug coverage that meets Medicare Part D minimum standards?***
 - Your employer is required to provide a notice about this every year, no later than October 15th, or whenever requested.

If it's creditable drug coverage, you can delay Part D without penalty.

If it's NON-creditable drug coverage, you will accumulate a Part D late enrollment penalty if you don't get Part D drug coverage during your Initial Enrollment Period. [Part D penalty calculation](#)

VIDEO: [What is Creditable Prescription Drug Coverage?](#)

2024 Medicare Part D Prescription Drug Coverage Phases

DEDUCTIBLE	INITIAL COVERAGE	COVERAGE GAP (DONUT HOLE)	CATASTROPHIC
<p>You will pay...</p> <p>up to \$545</p> <p>\$545 is the maximum Part D Prescription Drug deductible</p> <p>A deductible is the amount you owe before the insurance carrier helps</p> <p>Some plans don't have a deductible</p> <p style="text-align: center;"></p>	<p>You will pay...</p> <p>A copay (\$) or coinsurance (%), based on the drug's tier</p> <p>Once gross drug costs (YOUR out-of-pocket copays PLUS the amount the plan pays on your behalf) reach \$5,030...</p> <p>...you enter the Coverage Gap (Donut Hole), where you may pay a higher cost</p> <p style="text-align: center;"></p>	<p>You will pay...</p> <p>25% of the cost of generic and brand name drugs...</p> <p>...until your True Out-of-Pocket (TrOOP)* costs reach \$8,000</p> <p>Note: You only pay a portion of the \$8,000 (see note about Catastrophic phase to the right and TrOOP below)</p> <p style="text-align: center;"></p>	<p>You will pay...</p> <p>\$0 for covered drugs on the plan's formulary for the duration of the calendar year</p> <p>Note: Your actual drug copays should be capped at about \$3,300 for the year (through all phases)**</p> <p style="color: green; font-weight: bold;">Max Copays: About \$3,300</p>

***What gets you to the \$8,000 TrOOP (beginning of Catastrophic)? The total of...**

- Deductible phase: **What you pay**
- Initial Coverage phase: **What you pay** (NOT what the plan pays for you)
- Coverage Gap (Donut Hole) phase: **The 25% you pay PLUS 70% of the brand name cost** (which is paid by the manufacturer)
 - This means you don't personally have to pay \$8,000 to reach Catastrophic

A Note For Those Taking Insulin

- Approved insulins are no more than \$35 for a 30-day supply (until you reach Catastrophic phase)
- The insulin needs to be covered on the plan's formulary list of drugs
- Insulin through an insulin pump also has a \$35 copay max, but that goes through Medicare Part B medical insurance (not your Part D drug coverage)

VIDEO: [How Medicare Part D Works \(2024\)](#)

****Article: [Changes to Medicare Part D in 2024 and 2025](#) - Kaiser Family Foundation**

Original Medicare vs. Medicare Advantage (Part C)

In order to decide which route you want to choose, you need to understand what is similar and different about Original Medicare & Medicare Advantage. Below is a summary. The video link is more descriptive.

VIDEO: [Original Medicare vs. Medicare Advantage](#)

Similarities

Premiums Paid to Medicare	You must pay the Part B premium to Medicare (including potentially high income IRMAA premiums).
Covered Medical Services	Medicare has a list of covered/allowed Part A (hospital) and Part B (medical) services. Medicare Advantage plans are required to cover/allow those same services. Note: Certain Medicare Advantage plan services require prior authorization.
Part D Drug Costs Are Separate From Medical Costs	Whether you have a Part D drug plan or Medicare Advantage plan with Part D included, prescription costs are separate from medical costs. They are calculated separately and do not combine.
Part D Coverage Phases Are The Same	Whether you have a Part D drug plan or Medicare Advantage plan with Part D included, the Part D rules still work the same way. All the phases of Part D are identical.



Differences

	OPTION #1 Original Medicare	OPTION #2 Medicare Advantage
Access to Medical Providers	Access to any medical provider in the U.S. who accepts your red, white, and blue Medicare card.	Access to a list of providers in the Medicare Advantage plan's network (typically a PPO or HMO).
Filing Medical & Drug Claims	Medical: Use Medicare card for all Part A & B services, plus Medigap card as supplement. Drug: Use your Part D ID card for prescription drug claims	Medical & Drug: Use Medicare Advantage ID card for all claims (A, B, D). DO NOT use Medicare card.
Total Monthly Insurance Premiums	Combined premiums usually amount to more than Medicare Advantage route.	Combined premiums usually amount to less than Original Medicare route.
Out-of-Pocket Medical Costs	Medical costs typically minimal and very defined...less than Medicare Advantage route.	Medicare Advantage plan has a medical max out-of-pocket limit (MOOP)...usually higher than Original Medicare route.
Switching Plans	Medigap: Can change plans any time of year, but it typically requires medical history questions for approval. Part D: Can easily change plans once each year or switch to Medicare Advantage from 10/15 - 12/7. There are no medical history questions.	Medicare Advantage: Can easily switch to another Medicare Advantage plan from 10/15 - 12/7, and then again between 1/1 - 3/31. There are no medical history questions. Switching back to Medigap usually requires medical history questions for approval.
Extra Benefits	Original Medicare has a specific list of approved/allowed services. Some Medigap plans included additional benefits.	Medicare Advantage plans typically include additional benefits not covered by Original Medicare.

