

# Know Your Facts Part 3

## Steps Before Signing Up for a Medicare Advantage Plan



*A comprehensive checklist to ensure you've considered budgets, provider locations and what-ifs.*

1

### Ask yourself the following questions.

- Do I qualify for any kind of payment assistance or have access to other coverage such as Medicare Savings Programs, Part D Low Income Subsidy or Medigap plans?
- Am I comfortable with my care choices being directed by my insurance payer over the advice of my physician?
- Do I travel outside my general home area?
- What medications do I take?
- How important are limits on my annual maximum out-of-pocket costs?
- What is the value of coverage of other possible services such as dental, hearing and health club memberships?
- What is the value to have convenience of staying with the Original Medicare option knowing the services they cover versus annual checking to ensure networks and coverage requirements are not changing?
- How do I feel about a Medicare Advantage plan challenging my physician's determination of the care I need as reasonable and necessary?

- Will I be more likely to seek medical care if it is:
  - Easily accessible and almost all physicians and facilities are available?
  - Convenient and coverage is available for care in most geographic areas?
  - Lower cost?

2

### Assess your current coverage.

If you're already enrolled in Medicare, you received an annual notice of change letter, which details any changes in your plan's benefits.

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### Know your Medicare options.

Research the difference between Medicare Part A, Medicare Part B, Medicare Part C and Medigap.

#### CONTACT:

**Carroll County  
Memorial Hospital**

660-542-1695

[carrollcountyhospital.org](http://carrollcountyhospital.org)



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### Understand the Medicare Advantage plan's network.

Medicare Advantage plans have a limited network. Write down any physician, hospital or medical clinic you may need. Call each of them to ask what Medicare Advantage plans they accept.

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### Compare all out-of-pocket costs.

Examine your benefit statements and medical bills from the past year and add up what you paid in deductibles and copays plus monthly premium costs; this is when Medicare Advantage can look inexpensive; however, you must dig a little deeper to fully understand your potential out-of-pocket costs with a Medicare Advantage plan. Consider any medical care you may need in the following year, say, a knee replacement, dialysis or a pacemaker. For many people, opting for Original Medicare plus a Medigap plan offers more financial security with no surprises.

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### Investigate managed care requirements.

Are you comfortable with your care choices being directed by the insurance payer? Medicare Advantage plans many times require approval to see specialists or to receive health care such as tests, treatments or labs. Many times the insurance payer will decide the care you need over the advice of your physician.

***Medicare Advantage can look inexpensive; however, you must dig a little deeper to fully understand your potential out-of-pocket costs.***

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### Call the insurance payer directly and ask questions.

- If a physician I need to see is out-of-network, will the plan cover my visits? Will I pay more out-of-pocket for an out-of-network provider or facility?
- What is the service area for this insurance plan and how far may I need to travel to find an in-network specialist or facility for specialized services?
- Does my physician need to get approval from the plan to admit me to a hospital?
- Do I need an approval from my physician to see a specialist?
- Are there higher copays and deductibles for certain types of care, such as hospital stays, home health care or rehabilitation care?
- Does the plan cover any services that Original Medicare does not? Are there any rules, policies or restrictions that I need to be aware of before accessing these benefits?
- Does the plan impose any coverage restrictions on prescription drugs? Can we go through my current prescriptions to determine if they are on the insurance plan's formulary?
- How much will I have to pay for brand-name drugs?
- Will I be able to use my local pharmacy?
- Will the insurance plan cover me when I travel out-of-state?
- Does the plan cover skilled nursing care after hospitalization and are there any rules, policies or restrictions that I need to be aware of?

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**Consider the consequences of switching.**

When you initially enroll in Medicare at age 65, you have a guaranteed right to purchase a Medigap plan. Insurers are required to renew coverage each year as long as you continue to pay your premiums. If you try to buy a Medigap policy after that enrollment window, insurance plans can turn you down or charge you more, due to pre-existing conditions.

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**Consult your health care provider and local hospital.**

One way to learn about a Medicare Advantage plan's approval and authorization practices is to ask your health care provider and local hospital.

### Original Medicare

MEDICARE PART	DESCRIPTION	EXAMPLE OF COSTS
Part A (Hospital Insurance)	Helps cover inpatient care in hospitals, skilled nursing facility, hospice care and home health care.	\$0 Monthly Premium. \$1,600 per benefit period <i>*please reference <a href="https://www.medicare.gov">Medicare.gov</a> for definition of benefit period</i>
Part B (Medical Insurance)	Helps cover: <ul style="list-style-type: none"> <li>• Services from physicians and other health care providers;</li> <li>• Outpatient care;</li> <li>• Home health care;</li> <li>• Durable medical equipment; and</li> <li>• Preventative services such as vaccines and wellness visits.</li> </ul>	Monthly Premium \$175 (or higher depending on your income.)  \$240 Annual Deductible.  20% Co-Payment on Medicare-covered items after you've met the deductible.
Part D (Drug Coverage)	Helps cover the cost of prescription drugs including many recommended shots or vaccines.	Varies by plan.



**\*\*\*A Medigap policy is different from Medicare Advantage plans (Part C). Be cautious. Medicare Advantage plans can often be purchased with the perception you are purchasing a Medigap plan. See Medigap options on next page.**

## Steps Before Signing Up for a Medicare Advantage Plan

### Medicare Advantage

MEDICARE ADVANTAGE	DESCRIPTION	EXAMPLE OF COSTS
Part C (Medicare Advantage) <i>* Note, this replaces Part A and Part B, Medigap and sometimes Part D</i>	Medicare approved plan from a private insurance company that offers an alternative to Original Medicare for health and drug coverage.	Varies by plan.
Part D (Drug Coverage)	Helps cover the cost of prescription drugs including many recommended shots or vaccines.	Varies by plan.

### Medigap Options

Medigap Benefit	Plan A	Plan B	Plan C	Plan D	Plan F	Plan G	Plan K	Plan L	Plan M	Plan N
Part A coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used up	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B coinsurance and copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Blood (first 3 pints)	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Part A hospice care coinsurance or copayment	✓	✓	✓	✓	✓	✓	50%	75%	✓	✓
Skilled nursing facility care coinsurance			✓	✓	✓	✓	50%	75%	✓	✓
Part A deductible		✓	✓	✓	✓	✓	50%	75%	50%	✓
Part B deductible			✓		✓					
Foreign travel exchange			80%	80%	80%	80%			80%	80%
Out-of-pocket limit							\$7,060	\$3,530		

***There is help out there. Contact your local health care providers. They can connect you with individuals who can help you navigate the differences between Original Medicare and Medicare Advantage.***

