

Original Medicare vs Medicare Advantage

Understanding the differences between Original Medicare and Medicare Advantage is Step One in making the right choice for you

Original Medicare	Medicare Advantage (MA)
What it is	
Offered by the federal government. It includes Part A (hospital insurance) and Part B (medical insurance) benefits.	Called Medicare Part C and administered by private insurance companies; MA plans provide all the benefits of Original Medicare (with the exception of hospice care) but most MA plans offer much more.
What it covers	
Original Medicare covers hospital and doctor visits.	MA plans include Part A and Part B benefits, and most plans also include coverage for prescription drugs and routine dental, vision, and hearing care - benefits not offered by Original Medicare.
Maximum out-of-pocket cost	
There is no maximum out-of-pocket cost guarantee with Original Medicare.	MA plans have a yearly limit on out-of-pocket costs for medical services (\$6,700 in 2020) after which members pay nothing for covered services for the rest of the year.
Doctors & Hospitals	
If you are enrolled in traditional Medicare, you can go to any doctor or hospital in the United States that accepts Medicare.	MA plans generally require you to use doctors and facilities in the plan's network. If you see an out-of-network provider, your costs will be higher.
Premiums	
You usually don't pay a monthly premium for Medicare Part A (hospital) coverage if you or your spouse paid Medicare taxes for a certain amount of time while working. You do need to pay a premium for Part B coverage. In 2020, the Medicare Part B premium is \$144.60.	Many Medicare Advantage plans offer a low or \$0 monthly plan premium. As with Original Medicare, Medicare Advantage members must continue to pay a Part B premium. In 2020, that Part B premium is \$144.60.
Deductibles & Coinsurance	
The 2020 Part A deductible for inpatient hospital coverage is \$1,408. The annual deductible for Part B medical coverage is \$198.00.	Deductibles and copays vary with each Medicare Advantage plan.
Prescription Drug Coverage	
Original Medicare does not include prescription drug coverage; you may choose to purchase a stand-alone prescription drug plan from a private insurer.	Most Medicare Advantage plans include coverage for prescription drugs.
Can I change my plan?	
Yes. You can change your plan each year during the annual open enrollment period, which runs from October 15 - December 7.	Yes. You can change your plan each year during the Annual Enrollment Period, which runs from October 15 - December 7. There is also an Open Enrollment Period just for Medicare Advantage members. It runs each year from January 1 - March 31. During this time, you can switch to another Medicare Advantage plan or return to Original Medicare.



Keep in mind

When reviewing your options and comparing plans, here are some important things to keep in mind



Cost

How much will you pay for premiums, deductibles, coinsurance, and copayments?



Doctors & Hospitals

Does the plan have a network? Do the healthcare providers you prefer accept the plan?



Benefits

Does the plan include prescription drug coverage or coverage for vision, dental, and hearing care? Are these benefits important to you?



Your Health History

How often have you needed care over the past few years? Are you fairly healthy, or do you have a chronic condition that requires ongoing care?

Notes:
