Original Medicare vs. Medicare Advantage: Consideration Checklist

This checklist can be used to help guide the conversation with a Medicare beneficiary on their Medicare options during Medicare's Annual Open Enrollment Period. This checklist of questions covers what a Medicare beneficiary in Original Medicare should consider before enrolling in a Medicare Advantage plan. For reasoning behind the questions and information to give the client, please review the "Original Medicare vs. Medicare Advantage: Considerations to Review with Clients Guide".

- ☐ **Q1: Does the beneficiary have any other insurance besides Medicare?**
  - *Depending on the beneficiary's current insurance, enrolling in a Medicare Advantage plan may lead to them losing their current coverage.*
- ☐ **Q2: Does the beneficiary have a Medigap plan (Medicare Supplemental Plan)?**
  - *Depending on the person's situation and age it may be difficult to reenroll in a Medigap plan.*
- ☐ **Q3: Does the beneficiary prefer to have higher costs upfront monthly or to have the bulk of the cost based on the types of services they use and how often?**
  - *Original Medicare and Medicare Advantage will have different costs to the beneficiary in regard to premiums, copays, and coinsurance. Reference the guide to review with the beneficiary how their costs may look like*
- ☐ **Q4: Is the beneficiary interested in having a Maximum Out of Pocket (MOOP) cost?**
  - *Do they want to know the maximum amount that they will have to pay for Part A and Part B services?*
- ☐ **Q5: Does the beneficiary want to continue seeing their current medical providers, or are they willing to change providers if necessary?**
  - *Medicare Advantage plans have different rules when it comes to the providers a person can see.*
- ☐ **Q6: Does the beneficiary see any specialists?**
  - *To see a specialist, a beneficiary may need a referral before the Medicare Advantage plan covers the visit.*
- ☐ **Q7: Does the beneficiary travel?**
  - *Medicare Advantage plans only work within their service area. Original Medicare can be used anywhere in the U.S.*
- ☐ **Q8: What medical services does the beneficiary frequently access?**
  - *Review how Medicare Advantage plans cover Medicare services and prescription drugs.*
- ☐ **Q9: Is the beneficiary interested in additional benefits?**
  - *Medicare Advantage plans offer coverage for services that Original Medicare does not.*
- ☐ **Q10: What can the beneficiary do if they do not like the Medicare Advantage plan they enrolled in?**
  - *There are different enrollment periods when a person can make changes in their Medicare Advantage enrollment.*

Original Medicare vs. Medicare Advantage: Considerations to Review with Clients

The Medicare Annual Open Enrollment Period (OEP) takes place every year from October 15th to December 7th. The OEP is an opportunity for people with Medicare to review their health and prescription drug coverage to determine if their current coverage will continue to meet their needs in the new year. Medicare beneficiaries may switch or enroll in Part D plans (prescription drug coverage only) or Medicare Advantage plans/Part C (health coverage and Part D drug coverage) during the OEP. One common question an individual with Original Medicare (Part A and Part B) may ask during this time is, "**Should I enroll in a Medicare Advantage plan?"**

There are multiple factors to consider before deciding to enroll in a Medicare Advantage plan. Individuals should understand the differences between Original Medicare and Medicare Advantage when it comes to the 5 Cs:

- Current Insurance: Will a Medicare Advantage plan jeopardize their current coverage?
- Costs: How much is their healthcare coverage going to cost?
- Convenience: What does their access to providers look like?
- Coverage: What benefits and services will be covered?
- Changes: If and how can they change their health insurance?

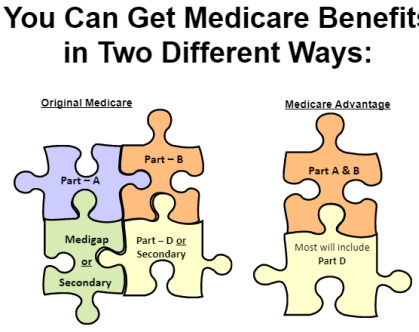
This guide provides background information and context about the questions on the accompanying "Original Medicare vs. Medicare Advantage: Consideration Checklist"

Overview of Medicare Benefits

Original Medicare: Federal health insurance for those 65 and older or with a disability that includes**:**

- Part A: Hospital Insurance
- Part B: Medical Insurance
- Medigap: Also known as Medicare Supplement Plans: Insurance that covers the "gaps" in Medicare Part A and Par B
- Part D: Prescription Drug Coverage

Medicare Advantage (Part C): Health plans that cover Part A, Part B, and most will cover Part D services.



CONSIDER THIS! CURRENT INSURANCE

Before an individual enrolls into a Medicare Advantage plan, they should review whatever current coverage they have and consider whether their current coverage will be affected if they enroll in a Medicare Advantage plan.

Q1: Does the beneficiary have any other insurance besides Medicare?

If an individual upon enrolling into Medicare will have other types of insurance such as retiree coverage or employer coverage, their Medicare Options may be different. Despite the misconception, Medicaid beneficiaries can enroll in a Medicare Advantage. In Illinois, individuals with Medicare and Medicaid have access to Dual Eligible Special Needs Plans (D-SNPs). D-SNPs are Medicare Advantage plans that are specifically for individuals with Medicare and Medicaid. Individuals with other health insurance in addition to Medicare should contact a Senior Health Insurance Program (SHIP) Counselor to review their options.

Q2: Does the beneficiary have a Medigap plan (Medicare Supplement Plan)?

People with Original Medicare (Medicare Part A and Part B) may have a Medigap plan that helps cover their Medicare costs. If a person with a Medigap plan switches to a Medicare Advantage plan, they will lose their Medigap plan. Below is information that a person **with** a Medigap plan should be aware of before deciding to enroll in a Medicare Advantage plan based on their age.

If they are 65 and over and have a Medigap plan: If a person 65 or older drops a Medigap plan to enroll in a Medicare Advantage plan for the first time, they will have a 12-month trial period to return to Original Medicare and repurchase a Medigap policy with **guaranteed issue rights**.

- *Guaranteed Issue Rights*: When a person has guaranteed issue rights, insurance companies cannot refuse to sell them a policy, charge them more due to a preexisting health condition, or make them wait for coverage to begin when they purchase a Medigap plan.

If someone wants to purchase a Medigap policy after their trial period has ended, companies can underwrite the plan. This means that beneficiaries may get charged more for pre-existing health conditions; experience waits for coverage or may not be able to purchase certain Medigap plans.

If this is **not** the person's first time enrolling in a Medicare Advantage plan, switching back to a Medigap plan is slightly different. If someone re-enrolls in a Medicare Advantage plan and later wants to switch back to Original Medicare and Medigap a second time, **they will have limited options**.

They are still able to ask any insurance company to purchase a Medigap plan, **but** Medigap plans will have the right to refuse to sell them a policy, charge them more, or make them wait for coverage. They will **not** have guaranteed issue rights. However, in Illinois, Blue Cross Blue Shield is the one company that will offer Medigap plans with guaranteed issue rights to anyone over the age of 65 at any time.

If they are under 65 and have a Medigap plan: People under the age of 65 do not have access to a trial period that is described above. If a person under the age of 65 enrolls in a Medicare Advantage plan, but later would like to return to Original Medicare, they can only repurchase a Medigap plan from **October 15th-December 7th** and their only option will be a Medigap plan with Blue Cross Blue Shield. Once they turn 65, they will get a second chance to purchase any Medigap policy **with** guaranteed issue rights.

CONSIDER THIS! COSTS

An individual should review the potential costs under Medicare Advantage plan, Original Medicare, and Original Medicare with Medigap to determine what will be the best for them financially. The following questions will help the beneficiary understand what their healthcare coverage will potentially cost them. **PLEASE NOTE:** Medicare costs change yearly. To find out more information on the costs of Part A, Part B, Part D, and Medicare Advantage, click here.

Q3: Does the beneficiary prefer to have higher costs upfront monthly or to have the bulk of the cost based on the types of services they use and how often?

The costs under Medicare Advantage plans and Original Medicare are structured differently. Below is information on how Medicare Advantage costs differ from Original Medicare:

- *Monthly Premium:* A monthly premium is the amount a person must pay every month to receive their health insurance. A beneficiary's monthly premium responsibilities will vary and depend on how they choose to receive their Medicare benefits.
    - If someone is in a Medicare Advantage plan, they will pay a monthly premium in addition to the Part B Monthly Premium.
    - There are some Medicare Advantage plans that have a $0 monthly premium.
    - Beneficiaries enrolled in only Original Medicare will pay a monthly premium for Part B and a Part D plan.
    - If someone is in Original Medicare and a Medigap plan, they will have to pay a monthly premium for Part B, Part D, and for the Medigap plan. Medigap plans tend to have higher monthly premiums.
- *Deductible:* A deductible is the amount someone will have to pay out of pocket for services before Medicare or a health plan starts to cover services. A Medicare Advantage plan may not have a deductible for Part A and Part B services, but it may have a deductible for Part D services (prescription drug coverage), since most Medicare Advantage plans include Part A, Part B and Part D. Under Original Medicare, there is a Part A (hospital coverage) deductible every time a person has a new benefit period, which begins when they are inpatient at a hospital or skilled nursing facility and ends when they have spent 60 days at home. Additionally, under Original Medicare, there is an annual Part B deductible. If a person is in Original Medicare and Medigap, they can choose to purchase a Medigap plan that includes coverage for the Part A and Part B deductible. There are a few Medigap plans that have a deductible.
- *Copays/Coinsurances:* Copays and Coinsurances are the amount the Medicare enrollees must pay for each service they receive. This is also referred to as the cost sharing amount. A person with a Medicare Advantage plan will usually need to pay a copay or coinsurance for every medical service they use. Each Medicare Advantage plan will have different copays/coinsurance amounts for medical services and covered prescription drugs. Under Original Medicare, there are cost sharing amounts under Part A, Part B, and Part D. If the person has Original Medicare and Medigap, they are most likely not paying any cost sharing amounts. There are a few Medigap plans that do require the individual to pay a cost-sharing amount. **NOTE:** Extra Help

does work with Medicare Advantage plans and Part D plans to assist with prescription drug costs.

PLEASE NOTE: A person may be eligible for the Medicare Savings Program to assist with their Part B premiums. It does not assist with any Medicare Advantage premiums. If they qualify for Qualified Medicare Beneficiary (QMB) Medicare Savings Program, they should have no Part A and Part B copays or coinsurances. This includes those in a Medicare Advantage plan if they go to an in-network provider

Generally, if someone has Original Medicare with a Medigap plan, they will pay higher premiums but have low out of pocket costs (the costs the beneficiary is responsible for) for services. If they have just Original Medicare, they will pay monthly premiums and copays/coinsurances for health services. While someone who has a Medicare Advantage plan will have lower premiums, their out-of-pocket costs will depend on how often they access their health benefits (utilization of services).

Q4: Is the beneficiary interested in having a Maximum Out of Pocket (MOOP) cost?

Medicare Advantage plans do have a Maximum Out of Pocket (MOOP) amount, which is the most a person will have to pay out of pocket for Part A and Part B services during a calendar year. Once the MOOP amount is met, Part A and Part B services will be covered for the rest of the calendar year. The MOOP amount does not include Part D costs or premiums. You may want to compare this number to what the individual could be paying with Original Medicare (either with or without a Medigap plan) to help make the decision. In addition to the MOOP, Medicare Advantage enrollees will also be paying prescription drug costs, which will have its own cost structure and out of pocket amounts. **REMINDER**: Original Medicare and most Medigap plans do not have a MOOP. **NOTE:** Part D does have an out-of-pocket limit. This applies to standalone Part D plans and Medicare Advantage plans.

CONSIDER THIS! CONVENIENCE

Provider access under Medicare Advantage plans is different than provider access under Original Medicare. Providers may need to be in the Medicare Advantage plan's network for it to provide coverage for medical services. Additionally, provider access will vary across Medicare Advantage plans. Below is information about how people in different types of Medicare Advantage plans can see providers. Under Original Medicare and Medigap, individuals can visit any provider that accepts Medicare.

Types of Medicare Advantage Plans: There are four different types of Medicare Advantage plans in Illinois that may suit a person's needs differently. Each has its own rules on whether someone can see out of network providers.

- *Health Maintenance Organization (HMO)*: Only covers in-network providers, except in emergency situations.
- *Preferred Provider Organization (PPO)*: Covers in-network providers and out of network providers. Most likely will be paying higher copays/coinsurances to see out of network providers.

- *Private Fee for Service (PFFS)*: Covers any providers, however providers can decide at each visit whether to accept the plan or not
- *Special Needs Plan*: Only for those who have specific chronic conditions, reside in an institutionalized setting, such as a long-term care facility, or enrolled in Medicare and Medicaid.

Q5: Does the beneficiary want to continue seeing their current medical providers, or are they willing to change providers if necessary?

Providers: Medicare Advantage plans will only work with providers they contract with, i.e. 'in network'. There are some plans that do allow people to see providers out of network at a higher cost.

- *Example:* Medicare Advantage plans that are HMOs will only cover providers that are in network vs. Medicare Advantage plans that are PPOs will provide coverage to out of network providers at a higher cost. To have lower copays/coinsurances a person would want to go to in-network providers. If they choose a Medicare Advantage plan, make sure their providers accept that plan or discuss if they are willing to change providers.

Q6: Does the beneficiary see any specialists?

Referrals: With some Medicare Advantage plans, the client may need a referral from their Primary Care Physician to see specialists and other providers.

- *Example*: Medicare Advantage plans that are HMOs will require referrals to see specialists vs. Medicare Advantage plans that are PPOs usually do not require a referral. Under Original Medicare, a person can see any provider that accepts Medicare without a referral.

Q7: Does the beneficiary travel?

Service Area: For the client to enroll in a Medicare Advantage plan, they must live in the plan's service area. If they travel for extensive periods and need non-emergency medical care, it may not be covered if the care happens outside of the plan's service area. Medicare Advantage plans will not cover services outside the United States.

REMINDER: If they have Original Medicare and Medigap already they can go to any provider in the United States, if the provider accepts Medicare.

CONSIDER THIS! COVERAGE

The health services covered and the access to those services varies from Medicare Advantage plan, Original Medicare, and Original Medicare with Medigap. The beneficiary should review these differences to ensure that health services that they need are easily accessible.

Q8: What medical services does the beneficiary frequently access?

Medicare Advantage plans will cover all Part A and Part B services, and most will include Part D (prescription drug coverage). If the person is in a Medicare Advantage plan that includes Part D, they will receive all Medicare benefits under one plan. If they are in a Medicare Advantage plan and it does not cover Part D, they will not have drug coverage through Medicare. If they choose to enroll in a Medicare Advantage plan, make sure their drugs are covered by that plan. There may be additional services that Medicare Advantage plans cover that Original Medicare will not cover.

REMINDER: If the individual uses medical services frequently, they will most likely be paying coinsurance/copay for every service used.

Prior Authorization: Medicare Advantage plans may have services with prior authorization, meaning the client's physician will have to get approval from the Medicare Advantage plan before the plan will cover a service. There is no prior authorization under Original Medicare and Medigap for most covered services.

Q9: Is the beneficiary interested in additional benefits?

Below is a list of additional benefits Medicare Advantage plans may provide that Original Medicare does not cover. This is not an exhaustive list; the client can check the plan's website and Medicare.gov to see what additional benefits the Medicare Advantage plan will provide.

- Limited dental, vision, and hearing benefits
- Special Supplemental Benefits for Chronically Ill: short term transportation, meals, and homemaker services.
- Gym memberships or Over the Counter Drug coverage

CONSIDER THIS! CHANGES

There are times that a person with a Medicare Advantage plan can change their plan. Some periods of enrollment are open to everyone, and some may have certain criteria that the person must meet to use the enrollment period to change their Medicare Coverage.

Q10: What can the beneficiary do if they do not like the Medicare Advantage plan they enrolled in?

There are times that a person can change their Medicare coverage. However, there are considerations that should be taken before making the decision to change.

Medicare Annual Open Enrollment Period: From October 15 – December 7, Medicare beneficiaries can change their coverage during this time with any plan changes taking effect January 1st of the following calendar year. They can either enroll or switch Medicare Advantage plans or Part D standalone prescription drug plans. If the beneficiary has a Medigap plan, they should be aware of certain rules when it comes to switching from Medigap to Medicare Advantage. Check out the "Original Medicare vs. Medicare Advantage: Considerations to Review with Clients" for more information.

Medicare Advantage Open Enrollment Period: From January 1-March 31, those enrolled in a Medicare Advantage plan can switch Medicare Advantage plans or return to Original Medicare.

Trial Period: If the Individual either 1) enrolled in a Medicare Advantage when they are first eligible for Medicare at age 65 OR 2) are 65 and older and dropped their Medigap plan to enroll in a Medicare Advantage plan for the first time; they can disenroll from the Medicare Advantage plan and return to Original Medicare within the first 12 months. They will get a 63-day period once their Medicare Advantage plan ends to enroll in a Medigap plan with guaranteed issue rights. Guaranteed issue rights means the insurance company cannot refuse to sell them a policy, charge them more for a policy due to a health condition, or make them wait for coverage. They will also get a Special Enrollment Period to enroll in a Part D plan for their prescription drug coverage.

Special Enrollment Period: A person may qualify for a special enrollment period if they meet certain criteria. Some common examples are if the Medicare Advantage plan is discontinued or if they move out of the Medicare Advantage plan's service area.

WHERE TO FIND INFORMATION:

Below are resources that provide more detailed information about specific Medicare Advantage plans, Medigap plans, cost sharing amounts, enrollment information, and other programs that can assist Medicare beneficiaries.

Senior Health Insurance Program (SHIP): SHIP counselors are unbiased Medicare counselors that can walk through a person's Medicare options.

To find a local SHIP Counselor: https://ilaging.illinois.gov/ship.html or call 800-252-8966

Medicare Plan Finder: Medicare.gov Plan Finder has information on plans' premiums, copays/coinsurances, MOOPs, additional benefits, prior approvals, and whether they let the client see out of network providers. Clients can also call the plan directly for detailed information. The Plan Finder will also allow them to compare plans.

Clients will have to contact their providers to see if they will accept a Medicare Advantage plan.

Medicare Costs: https://www.medicare.gov/basics/costs/medicare-costs

Medigap Information: https://www.medicare.gov/health-drug-plans/medigap

Medicare Rights Center Medigap vs. Medicare Advantage Chart:
https://www.medicarerights.org/fliers/Medigaps/Medigaps-vs.-Medicare-Advantage.pdf?nrd=1

Medicare Savings Program: https://www.medicare.gov/medicare-savings-programs

Extra Help: https://www.medicare.gov/basics/costs/help/drug-costs

Medicare Special Enrollment Periods for MA and Part D plans:
https://www.medicareinteractive.org/pdf/SEP-Chart.pdf

Avisery by AgeOptions: Avisery by AgeOptions provides training and technical assistance to professionals working with older adults and people with disabilities on Medicare and Medicaid topics. Email Avisery at avisery@ageoptions.org or visit our website:
https://www.ageoptions.org/resources/avisery/