A pair of glasses is resting on a Medicare Enrollment Form. The form is slightly out of focus, showing various fields for personal information and insurance details. The glasses are in the foreground, with the form underneath them. The overall image has a light blue tint.

# Medicare Advantage

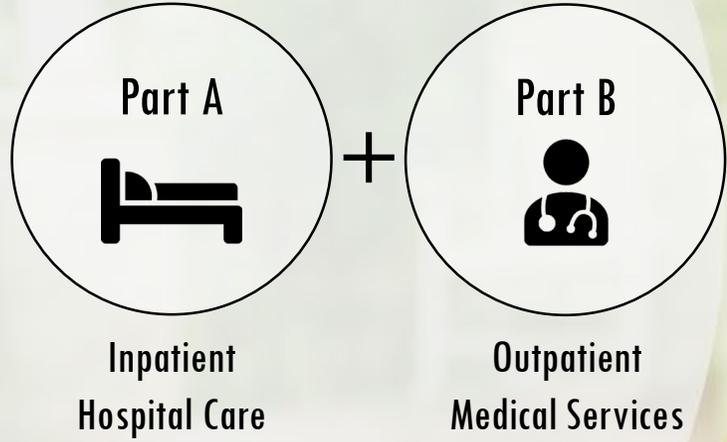
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## Options and Local Impact

All Medicare recipients have a choice between original Medicare and Medicare Advantage

1

Original Medicare →



2

Medicare Advantage →





## Comparison of Coverage Benefits

	<b>Original/Traditional Medicare</b>	<b>Medicare Advantage</b>
Coverage benefits	Medicare Part A (inpatient hospital care) and Medicare Part B (outpatient medical services)	Cover all benefits of Original Medicare Parts A and B
Prescription drug coverage	Does not typically cover prescriptions; must purchase separate Medicare Part D plan	Included with many plans
Extra benefits	No	Included with many plans, like dental, vision, hearing, fitness and wellness services; extra benefits vary from plan to plan
Services covered when you travel	Yes, services are covered when you travel anywhere in the U.S.	Usually, no. You must live within your plan's service area; coverage and restrictions vary from plan to plan



## Comparison of Coverage Benefits

	Original/Traditional Medicare	Medicare Advantage
Premiums	No, for Medicare Part A; yes, for Medicare Part B	Depends on the plan. Many plans have \$0 monthly premiums; yes, for Medicare Part B
Copayments, Coinsurance	Yes, for most services	Yes, for most services
Deductibles	Yes	Some plan may have deductibles
Annual maximum out-of-pocket spending limit	No limits	Yes. This amount varies among plans and might change from year to year. Typically, there's a cap on all plans for Medicare Parts A and B benefits (\$6700 for 2019)  Note: The limit does not apply to Part D (Rx) benefits and other non-CMS-covered expenses, such as vision and hearing hardware and optional dental coverage.



## Comparison of Access to and Choice of Providers

	<b>Original/Traditional Medicare</b>	<b>Medicare Advantage</b>
Access to Physicians	Can visit any doctor/provider who accepts Medicare and is taking new patients	Most plans require you to go to the doctors or hospitals in the plan's network
Access to Specialists	No referrals required	Usually requires referrals or prior authorizations



## Pros and Cons

### Original/Traditional Medicare

### Medicare Advantage

#### PROS

- Medicare Part A is free
- You have the most provider choice/flexibility — you can see any doctor/provider who accepts Medicare without worrying about staying in-network
- No referral is needed to see a specialist
- Your coverage is the same no matter where to you live or where you travel in the U.S.

- Get the same services as Medicare Part A and Part B.
- Many plans include Rx coverage and other benefits, like routine dental, hearing care or gym discounts
- Many plans have \$0 monthly premiums (but you still pay a premium for Part B, copays and coinsurance fees)
- Your out-of-pocket costs are capped (\$6700 for 2019)

#### CONS

- There's a monthly premium for Part B
- No cap on your out-of-pocket spending
- Does not include prescription drug coverage (must buy separate Part D plan) or extra benefits

- Plans are difficult to compare. Plans can change in-network providers and drug and medical coverage from year to year
- Restricts your choice of doctors/hospitals
- Requires referral to see specialist, and usually no national coverage
- May have unexpected out-of-pocket costs
- Hard to switch to plans like Medigap

# Implications When You Choose Medicare Advantage

## Access to physicians:

- Access to and choice of doctors and hospitals is limited to those within the plan's network, and plans can drop physicians or hospitals during the year
- Requires referral or plan's authorization to see specialists
- Lack of nationwide network

## What it means to you:

- Limits your freedom of choice in providers
- If you go out of network, your plan may not cover your medical costs
- Can pose barriers to care you need
- You must reside in the plan's service areas;
- Limits on care you can get when traveling
- Small network may result in large gaps in coverage

## Costs:

- There's a perception that MA cost less than traditional Medicare, but actual costs depend on an individual's circumstances and aren't always easy to calculate

Possible high overall costs or higher costs for specific services (such as short hospital stay, home health or medical equipment such as oxygen)

## Lack of Flexibility:

- Once you're enrolled in MA, you're locked in for the year

→ Must wait till the next open enrollment period

# Implications When You Choose Medicare Advantage

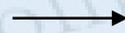
## You're no Longer a Medicare Beneficiary:

- If you enroll in Medicare Advantage, you're no longer considered a Medicare beneficiary



## What it means to your local hospital:

The government doesn't pay your local hospital the same amount for the same services, which hurts the local hospital financially.



Medicare bad debt and low volume adjustments account for >25% of all rural PPS hospital payments, and



The way costs and days are allocated for MA on the cost report literally threaten the existence of most Critical Access Hospitals



Traditional Medicare covers Part A without premium, has no out-of-network concerns and provides more favorable reimbursement to rural providers.



## **Read the Fine Print**

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**A Medicare beneficiary's decision regarding health coverage is significant — for both the individual and the medical community**

**So gather all the facts, know your options, and contact your local hospital if we can help you navigate**