

## Thinking of Choosing a Medicare Advantage Plan? Key Questions to Ask

Each fall, the Medicare open enrollment period provides an opportunity for you to make changes in your Medicare coverage.

Medicare is the federal health insurance program for people who are 65 and over.<sup>1</sup> But, the federal government also contracts with private health insurance companies it approves to offer health insurance policies known as Medicare Advantage plans. These plans bundle the different parts of Medicare (Part A hospital coverage, Part B doctor and outpatient services and usually Part D prescription coverage) into one package.

While these plans are similar to traditional Medicare, they do have some differences that are important to understand.

Deciding whether to purchase traditional Medicare or a Medicare Advantage plan can be a difficult one. For information on how to decide, see the New Jersey Hospital Association's Traditional Medicare or a [Medicare Advantage Plan: Which is Right for You?](https://www.njha.com/media/744141/traditional-medicare-or-medicare-advantage-plan.pdf) resource or ([www.njha.com/media/744141/traditional-medicare-or-medicare-advantage-plan.pdf](https://www.njha.com/media/744141/traditional-medicare-or-medicare-advantage-plan.pdf)).

If you decide a Medicare Advantage plan is right for you, this resource is designed to help you ask the right questions to find the one that meets your needs and your budget.



### Understand Which Providers You Can Use

One of the most important things to research is whether the physicians you already have a relationship with or specialists you may need based on your health history are in the Medicare Advantage plan's network.

You should also know that Medicare Advantage plans can have service areas. The service area can also impact the doctors and other providers you can use. A Medicare Advantage service area is the geographic area where a Medicare Advantage Plan provides medical services to its members. It's also usually where the plan's network of providers is located.

Finally, check to make sure the specialists, hospitals, rehabilitation hospitals, home health agencies and skilled nursing facilities you have used or are nearby are part of the plan's network.

### Key questions to ask include:

- ✓ **Are my current doctors, nurses, therapists and preferred hospital in this plan?**
- ✓ **What pharmacies can I use?**
- ✓ **What is the service area for this plan?**
- ✓ **How do I get care if I'm out of the service area, such as when traveling?**

<sup>1</sup>If you are under 65, you may be eligible to get Medicare earlier if you have a disability, End-Stage Renal Disease (ESRD or ALS (Lou Gehrig's Disease)).

## Understanding the (Real) Cost



Medicare Advantage plans have premiums that often range between \$0 and several hundred dollars.

But it is important to know there are other costs you may be responsible for. Depending on your Medicare Advantage plan, you'll also typically have to pay a deductible, coinsurance and/or copayments when you seek medical care. Because some plans have no premium, it's good to understand all of your potential out-of-pocket costs. These can include:

**Deductible:** The amount you'll pay out of pocket before your Medicare Advantage plan starts covering eligible services.

**Coinsurance:** A percentage of your medical costs — 20% of services, for instance — you pay out of pocket, generally after you hit your deductible.

**Copayment:** A flat fee you pay for a specific service, such as a doctor's visit or emergency room trip.

These payments are out-of-pocket costs, and Medicare Advantage plans are required to have a limit on what you can pay out of pocket each plan year. The limit can change each year so be sure to ask about it.

Medicare Advantage plans typically offer access to extra benefits that aren't available under traditional Medicare such as vision or dental benefits. Some plans charge an additional fee for this coverage, so make sure you include them in your decision making.

### Key questions to ask include:

- ✓ **What is the premium? Is the Medicare Part B premium included?**
- ✓ **What is the deductible?**
- ✓ **What would my costs be under the prescription plan?**
- ✓ **Are there any costs for supplemental benefits?**
- ✓ **What is the maximum I will pay out of pocket? Is there a different maximum for in-network and out-of-network services?**

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## Making Sure You're Covered

Medicare Advantage plans are run by private insurance companies. The federal government requires these plans to follow certain rules. For example, the plans must offer coverage comparable to traditional Medicare.

However, the plans are also allowed to have some of their own rules. For instance, they can choose to only have certain doctors, hospitals and other services to be included in their network. They can also apply authorization or prior approval requirements in advance of being able to use certain services.

### Key questions to ask include:

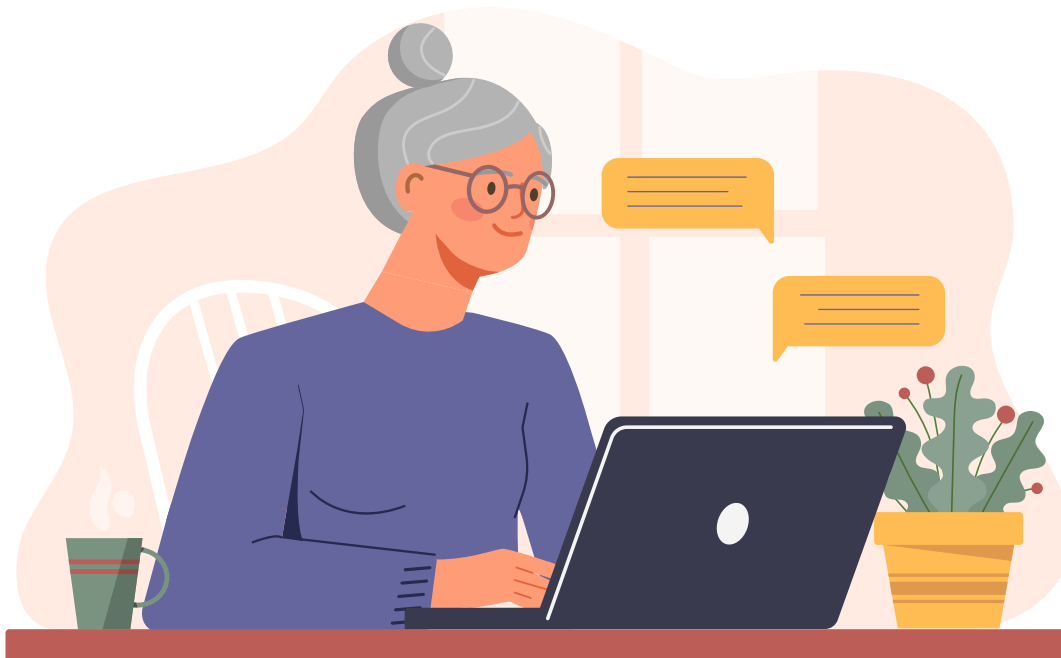
- ✓ **What types of services are covered by this plan: Primary care visits? Specialist visits? Hospital care? Prescriptions? Dental care? Vision care? Rehabilitation, like physical therapy?**
- ✓ **Are there any specific services that are excluded from this plan?**
- ✓ **Does this plan allow me to make an appointment directly with a specialist, or do I need to start first with a primary care provider and obtain a referral to the specialist?**
- ✓ **What other rules or restrictions exist with this plan?**

## Getting Help If You Need It

Choosing a health insurance plan can be confusing and stressful. In fact, it can get even more confusing if you have other existing coverage such as employer or spousal coverage.

If you have more questions or need assistance, you can get free help from insurance counselors.

Visit [New Jersey's State Health Insurance Assistance Program \(SHIP\)](http://www.nj.gov/humanservices/doas/services/q-z/ship/) online ([www.nj.gov/humanservices/doas/services/q-z/ship/](http://www.nj.gov/humanservices/doas/services/q-z/ship/)) or by phone at 1-800-792-8820 provides information and assistance specifically on Medicare coverage.



**HEALTH INSURANCE Help!** ✓ *(When you need facts, not frustration)*