

Medicare Supplement

vs.

Medicare Advantage

If you don't have Medicaid, Veteran's benefits, or coverage thru your employer, you need to pick one of these 2 options when you get on Medicare. Let's compare these 2 choices side-by-side and see how they stack up in 11 different areas...



Annual Max Out-of-Pocket

Medicare Supplement (Medigap) plans are much better than Medicare Advantage (MA) plans if you are looking to keep your potential out-of-pocket expenses low. You spend little to nothing out-of-pocket with typical Medigap plans where you can spend thousands out-of-pocket each year with every MA plan.



Network Restrictions

Medigap plans give you more choices when it comes to seeing the healthcare providers you want. Medigap plans allow you to see any doctor or visit any facility that accepts Original Medicare. MA plans restrict you to providers that participate in their network. Want to go out-of-network? You're either not covered or pay more out-of-pocket.

Monthly Premiums



MA premiums are lower on average compared to Medigap plans. One big reason is that MA plans are the same price for every enrollee, no matter your age. Medigap premiums typically go up as you get older. Also, MA plans usually include prescription coverage. If you want prescription coverage with a Medigap plan, you have to purchase a separate policy with an additional premium.



Prescription Drug Coverage

Medigap plans don't cover prescriptions. But, you can choose from typically over 20 standalone drug plans to find one that covers your prescriptions best. If you get an MA plan, you have to just take the drug coverage that comes with the plan. This usually results in paying higher Rx copays with an MA plan.



Referrals to See a Specialist

Medigap plans don't require you to get referrals to see any doctor because Original Medicare doesn't require referrals. If you have an MA plan like an HMO or HMO-POS plan, these plans very likely will require you to get a referral from your primary doctor any time you want to see a specialist.

Care Management



MA plans are all managed care plans which means there is a group of participating healthcare providers that make up your plan's network. Because of this, it's easier for there to be communication among this group when they coordinate your healthcare. Medigap plans place more responsibility either on you or your primary doctor to do so.



Travel

Medigap plans allow you to see any healthcare provider anywhere in the country, as long as they accept Medicare. But, MA plans have regional networks. You're either not covered or will pay much higher out-of-network rates if you see a provider in a non-emergency situation with an MA plan.

Rural or



Urban?

Where you live makes a difference on what plan may be best for you. MA plans have networks so it can be easier to find a doctor that's in-network when you live in a more densely populated area. Medigap plans tend to have lower premiums in you live in a more rural area.

Dental, Vision, and Hearing



Many MA plans will throw in some preventative benefits for dental, vision, and/or hearing (DVH) coverage. These benefits, though, usually cover only basic care, and not more costly equipment or procedures. Medicare doesn't cover routine DVH expenses, so neither will any Medigap policy.



Underwriting

Medigap policies are easier to get when you first get on Medicare Part B at 65 or older because you are guaranteed to be accepted. If you try to apply later, Medigap insurance companies can decline you for health reasons, in most cases.

MA plans can turn you down at any time only if you have End Stage Renal Disease. So, it's easier to qualify for a Medigap plan when you first get on Medicare Part B, rather than switch to a Medigap plan later.

Miscellaneous



Many MA plans throw in freebies like gym memberships, discounts on things like home safety equipment and diet programs, etc. Some plans even provide transportation to and from the doctor. Some Medigap plans do provide similar discounts, but usually the benefits aren't as rich as those in an MA plan.



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[Contact Us](#)

Email: chris@paramountretirementsolutions.com

Phone: 866-240-8639