SHIINE
senior health information & insurance education

What to Know Before Joining a Medicare Advantage Plan

What Are Medicare Advantage Plans?

Medicare Advantage is an alternative to Original Medicare coverage. Sometimes referred to as Medicare Health Plans or Part C, Medicare Advantage Plans are health plan options that are approved by Medicare and managed by private companies.

Medicare Advantage Plans provide all of your Part A (hospital) and Part B (medical) coverage and must cover medically-necessary services. Most Medicare Advantage Plans also cover Part D (prescription drugs) benefits. Some plans offer extra benefits, such as dental and vision services.

A type of Medicare Advantage Plan that is an option available for many South Dakotans is a Medicare Cost Plan. There are several differences with Cost Plans compared to Advantage Plans.

You must have Medicare Part A and Part B to join a Medicare Advantage Plan. An exception to this is you only need Medicare Part B to join a Medicare Cost Plan. Some plans do not charge a monthly premium, but you must continue to pay the Part B premium.

If you are considering joining a Medicare Advantage Plan, keep the following in mind:

You are responsible for co-payments. Under Medicare Advantage, you must pay co-payments for each Medicare-covered service, such as physician office visits and inpatient hospital stays. These co-pays vary according to plan.

Your provider may or may not accept your plan. Doctors or hospitals from which you receive care are not required to accept payment from Medicare Advantage Plans. If the provider does not accept the plan, you may be responsible for the entire payment. Under a Cost Plan, if you go to a non-network provider the services are covered under Original Medicare. In this case, you would have to pay the Part A and Part B coinsurance and deductible and the expenses accrued would not be considered when calculating the out of pocket limit. Being treated at a non-network facility or by a non-network provider can inflict a significant cost.

Questions to Ask Before Joining a Plan

Talk to Your Current Plan

- How does the plan work with my current coverage?
- If I join, could I lose my retiree/employer health coverage?

Talk to Your Doctors, Hospitals and Other Health Care Providers

- Will I be able to use my doctors? Are they in the plan's network and are they taking new patients who have this plan?
- If my doctors aren't in the network, will the health plan pay for me to see them anyway? Will that cost me more?
- Do my doctors recommend joining this plan?
- Does this plan work well with my pharmacy? (ask your preferred pharmacy)

Talk to the Plan

Access to Health Care

- Who can I choose as my Primary Care Physician (PCP)?
- Does my doctor need to get approval from the plan to admit me to a hospital?
- Do I need a referral from my PCP to see a specialist?

Extra Benefits

- What extra benefits does the plan offer? Does it cover dental services, vision care or hearing aids? What rules do I have to follow to get them? Are there limitations on the benefits? How much do I have to pay for them?

Prescription Drug Coverage

- Are my prescription drugs on the plan's formulary (list of covered drugs)?
- Does the plan require that I get "prior authorization" before my prescription will be covered, or impose other restrictions (like limiting the quantity or requiring that I try a cheaper medication before it will cover a more expensive one)?
- Do I have to pay a deductible before the plan will cover my drugs?
- How much will I pay for brand-name drugs? How much for generic drugs?
- What will I pay for my drugs during the coverage gap?
- Will I be able to use my pharmacy? Is it in the plan's network? Can I get my drugs by mail order?
- Can I fill my prescriptions if I travel away from the plan's network?

Cost

- How much is my monthly premium?
- Will I pay a higher premium because of my income? (Individuals with yearly incomes above $85,000 and couples with yearly incomes above $170,000 pay more for both Part B and Part D.)
- How much will I have to pay out of pocket before coverage starts (what is the deductible)?
- How much is my copayment for a visit with my PCP or a visit with a specialist?
- How much will I pay if I use a non-network doctor or hospital?
- Are there higher copays for certain types of care, such as home health or skilled nursing facility care?
- What is the annual out of pocket maximum? (After you spend a certain amount, your care will be free or very low-cost.) Are there different out of pocket limits for in-network and out-of-network care?

Service Area

- What service area does the plan cover?
- What kind of coverage do I have if a travel outside of the service area?

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SHIINE Regional Offices

Eastern: 1.800.536.8197

Central: 1.877.331.4834

Western: 1.877.286.9072

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