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. But, the federal government also contracts with private health insurance companies 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 Original (commonly called traditional) Medicare, they do have some differences that are important to understand.

Which is right for you? Deciding whether to purchase traditional Medicare or a Medicare Advantage plan can be a difficult one. This resource is designed to help you ask the right questions to determine if Medicare Advantage is the best choice for you and your budget.

Making Sure You're Covered

Medicare Advantage plans are run by private insurance companies. These 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 create a specific network of doctors, hospitals and other services included in their coverage. They can also apply prior approval requirements (called "prior-authorization") for certain services. And, Medicare Advantage plans often add medical benefits not covered by original Medicare such as vision, hearing and dental.

If you're considering a Medicare Advantage plan, 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 obtain a referral or prior authorization?**
- ✓ **What other rules or restrictions exist with this plan?**



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Understand Which Providers You Can Use



One of the most important things to research is whether your physicians and providers are in the Medicare Advantage plan's network. Some plans may allow you to use healthcare providers outside the plan's network, but typically at a higher cost.

You should also know that Medicare Advantage plans can have specific service areas where they provide coverage for medical services. The service area can also impact the doctors and other providers you can use.

Check to make sure your preferred hospitals, rehabilitation facilities, home health agencies, skilled nursing facilities and laboratory services 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? What about travel outside the U.S.?**
- ✓ **Can I use doctors, hospitals and other providers that aren't included in the plan's network? What is the added cost?**

Finally, check the quality of the Medicare Advantage plan. The Centers for Medicare and Medicaid Services uses a "star-rating" system to rate the quality of Medicare Advantage plans. These ratings are based on several factors including customer satisfaction and access to healthcare services. Check Medicare.gov for the star ratings.

Understanding the (Real) Cost

Medicare Advantage plans have a wide range of premiums. 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. Here's what those terms could mean to costs that come out of your own pocket:

Copayment: A flat fee you pay for a specific service, such as paying $20 for a doctor's visit or $50 for an emergency room trip.

Deductible: The amount you'll be responsible for paying 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 reach your deductible.

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.

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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 (doctor and outpatient services) included?**
- ✓ **What is the annual deductible amount?**
- ✓ **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?**

Getting Help If You Need It

- Choosing a health insurance plan can be confusing and stressful. The New Jersey State Health Insurance Assistance Program (SHIP) is a free, one-on-one counseling service to help answer your questions about all Medicare plan options. The SHIP Information Center can be reached by phone at 1-800-792-8820, the hours of operation are 8:30 a.m. to 4 p.m., Monday through Friday. You can find your county SHIP office contact information on the internet at ***https://www.nj.gov/humanservices/doas/services/q-z/ship/***
- Low-income seniors and individuals with disabilities can save money on Medicare premiums, prescription costs and other living expenses through NJSave Programs. You can learn more and access the online application here at ***https://www.nj.gov/humanservices/doas/services/l-p/njsave/***

