

Section

5

What Are Medicare Advantage Plans (like HMOs and PPOs)?

Medicare Advantage Plans are health plan options that are approved by Medicare and run by private companies. They are part of the Medicare Program, and sometimes called “Part C.” When you join a Medicare Advantage Plan, you are still in Medicare. Some of these plans require referrals to see specialists. In many cases, the premiums or the costs of services (co-pays) can be lower in a Medicare Advantage Plan than they are in the Original Medicare Plan or the Original Medicare Plan with a Medigap policy.

Medicare Advantage Plans provide all of your Part A (hospital) and Part B (medical) coverage and must cover medically-necessary services. They generally offer extra benefits, and many include Part D drug coverage. These plans often have networks, which means you may have to see doctors who belong to the plan or go to certain hospitals to get covered services. In many cases, your costs for services can be lower than in the Original Medicare Plan. Some of these plans coordinate your care, using networks and referrals, more than others. This can help manage your overall care and can also result in savings to you.

Medicare pays an amount of money for your care every month to these private health plans, whether or not you use services. Medicare Advantage Plans also include options that provide specialized care for people who need a lot of health care services. Even if you are out of the service area of the plan, you are still covered for emergency (see page 15) or urgently needed care (see page 19).

Medicare Advantage Plans include

- Medicare Preferred Provider Organization (PPO) Plans, see page 36,
- Medicare Health Maintenance Organization (HMO) Plans, see page 37,
- Medicare Private Fee-for-Service (PFFS) Plans, see page 37,
- Medicare Special Needs Plans, see page 38, and
- Medicare Medical Savings Account (MSA) Plans, see page 39.

Blue words in the text are defined on pages 93–96.

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If You Join...

- you are still in the Medicare Program.
- you still have Medicare rights and protections (see pages 79–88).
- you still get complete Medicare Part A and Part B coverage (see pages 9 and 13–19).
- you usually get prescription drug coverage (Part D) through the plan. In most Medicare Advantage Plans, if your plan offers Medicare prescription drug coverage and you want drug coverage, you **must** get it from your plan. In these cases, if you join a stand-alone Medicare Prescription Drug Plan, you will be disenrolled from your Medicare Advantage Plan.

If you have a Medicare Private Fee-for-Service Plan that doesn't offer Medicare prescription drug coverage, or if you have a Medicare Medical Savings Account Plan, you can also join a stand-alone Medicare Prescription Drug Plan (see page 43).

- you may be able to get extra benefits offered by the plan, such as coverage for vision, hearing, dental, and/or health and wellness programs.
- you still pay the Part B premium. You also pay the Medicare Advantage Plan's premium that includes coverage for Part A and Part B benefits, prescription drug coverage (Part D if offered), and any other extra benefits (if offered).
- you usually will have to pay some other costs (such as copayments or coinsurance) for the services you get. Out-of-pocket costs in these plans are generally lower than in the Original Medicare Plan, but vary by the services you use.
- you don't need to buy a Medigap (Medicare Supplement Insurance) policy.
- in some cases, your costs could be higher than the Original Medicare Plan, like if you see a doctor that doesn't belong to the plan.
- every year in the fall, the plan will send you information about any changes in benefits, costs, or service areas.



If your former employer or union pays for your Medicare Advantage Plan, see page 61.

POLICIES

Individual departments within Network Health Insurance Corporation (NHIC) maintain departmental policies and procedures, which are reviewed and/or revised on an annual basis. In addition to departmental policies, NHIC also has plan-wide policies which are interdepartmental in scope. On the following pages, and throughout the specific sections, you will find policies that are pertinent to you as a practitioner, or helpful in understanding the rights and responsibilities of our members.