

THE DIFFERENCE BETWEEN TRADITIONAL MEDICARE AND MEDICARE ADVANTAGE PLANS

	Traditional Medicare	Medicare Advantage Plans
Costs	You pay Medicare premiums, deductibles, and coinsurances (usually 20% of the Medicare approved cost for outpatient care).	You pay Medicare premiums and your plan's premium , if it charges one. Your plan sets its own deductibles and copays (usually a fixed cost for each office visit). You may pay the full cost if you don't follow your plan's rules.
Supplemental insurance	You can buy a Medigap policy. (But only at certain times, depending on where you live. Watch for Open Enrollment periods)	You can't buy a Medigap policy to help pay your out-of-pocket costs in a Medicare Advantage plan.
Covers extra services like vision and dental?	No. Medically necessary inpatient, outpatient and skilled nursing care is covered, but routine vision and dental services are not a covered benefit.	Maybe. May cover some services Original Medicare doesn't cover such as routine vision, hearing and dental care. All plans must cover the same inpatient and outpatient services Original Medicare covers.
Lets me see providers nationwide?	Yes. You can use any participating provider or facility.	Usually not. Most people have HMOs, which typically have local networks of providers you must use for the plan to cover your care. PPOs and PFFS plans should cover care you get outside the network, but you will pay more. Your plan also controls how many services you receive and how long you are able to spend in a hospital or skilled nursing facility.
Need referrals to see specialists?	No. A referral isn't needed for any service!	Maybe. You often need to get a referral from your Primary Care Physician if you want to see a specialist.
Covers drugs?	No, but Medicare prescription drug coverage, Part D, is available for purchase.	Usually. Most plans include Part D drug coverage. You usually can't get a separate Part D plan if you have a Medicare Advantage plan (some exceptions).
Out-of-pocket limit?	No. There is no cap or maximum imposed on your healthcare utilization or benefits!	Yes. Plans must have an annual out-of-pocket limit, which can be high but protect you if you need expensive care. The plan pays the full cost of your care after you reach the limit.

Information courtesy of Medicareadvocacy.org.

Making an informed decision is key no matter which plan you choose, and there are many factors to consider. You should weigh the advantages and any disadvantages of each plan based on your desired benefits. When evaluating ongoing and future medical expenses, you should consider one of the advantages under the traditional Medicare program, which is the potential for less out of pocket costs.