
Medicare Part C – Medicare Advantage

Medicare Part C – also known as Medicare Advantage - is an alternative to Original Medicare, made up of Medicare Part A and Part B. Medicare Advantage plans are Medicare-approved programs offered by private companies, following rules set by Medicare. Medicare Part C plans generally take an “all-in-one” or “bundled” approach to providing medical care, as contrasted with the “fee-for-service” nature of Original Medicare. A few key differences:

- **Limited choice of doctor and hospital:** Medicare Advantage plans typically require plan enrollees to use doctors and hospitals within the plan’s network and service area.
- **Services covered:** Medicare Advantage plans must cover the same medically necessary services covered by Original Medicare. They may also cover extra benefits such as dental care, eye exams, or hearing aids, not covered by Original Medicare.
- **Costs:** Enrollees pay a monthly premium for Part B and may also have to pay a plan’s premium. Co-payments typically apply to covered services and supplies. Medicare Part C plans generally have an annual limit on the total amount an enrollee pays; once that annual limit is reached, there are no further charges for covered services and supplies for the year.
- **Prescription Medication:** Unlike Original Medicare, many (but not all) Medicare Advantage plans include Part D prescription medication coverage. In those Medicare Advantage plans that do not offer prescription drug coverage, an enrollee will have to purchase (and pay for) a separate Medicare Part D prescription drug plan.

Types of Medicare Advantage Plans

There are a number of different types of Medicare Advantage Plans, including:

- **Health Maintenance Organization (HMO):** Enrollees must generally receive their care and services from hospitals and health care providers in the plan’s network.
- **HMO Point-of-Service:** Similar to an HMO. However, enrollees may receive some services out-of-network for a higher co-payment or co-insurance.

Medicare Part C – Medicare Advantage

- **Medical Savings Account (MSA) Plans:** MSA plans typically don't have a network of doctors or hospitals. Instead, the plan deposits money into a special savings account to pay for health care expenses. Enrollees may receive covered services from any Medicare provider in the U.S.
- **Preferred Provider Organization (PPO) Plan:** PPO plans have a network of doctors and other health care providers an enrollee may use. Out-of-network providers may also be used, usually for a higher cost.
- **Private Fee-for-Service (PFFS) Plan:** An enrollee can go to any doctor, hospital, or other health care provider that accepts the plan's payment terms, agrees to treat the enrollee, and hasn't opted out of Medicare. An enrollee who chooses an out-of-network provider may pay more.
- **Special Needs Plan (SNP):** A SNP provides benefits and services to people with specific diseases or certain health needs, or who may also be on Medicaid. SNP plans tailor their care and benefits to best meet the needs of the groups they serve.

Joining a Medicare Advantage Plan

1. **Initial Medicare eligibility:** An individual may enroll in a Medicare Advantage plan when he or she first becomes eligible for Medicare. Such an individual may change to another Medicare Advantage Plan or change to Original Medicare within the first three months of having Medicare.
2. **Annual open enrollment:** Annual open enrollment takes place each fall, from October 15 through December 7. Elections made during this period take effect on January 1st of the following year.
3. **General enrollment period:** From January 1 to March 31, if a beneficiary has only Part A coverage, and then gets Part B coverage, the individual has the option to join a Medicare Advantage plan, with coverage generally beginning July 1.
4. **Medicare Advantage open enrollment period:** Between January 1 to March 31 of each year, an enrollee may make certain changes: (1) switch from one Medicare

Medicare Part C – Medicare Advantage

Advantage plan to another Medicare Advantage plan; (2) or dis-enroll from a Medicare Advantage plan and return to Original Medicare. If an enrollee chooses this second option, he or she will be able to join a Medicare Part D prescription drug plan. However, the enrollee may NOT be able to buy a Medigap policy.

5. **Special enrollment periods:** An enrollee may be able to join, switch, or drop a Medicare Advantage Plan during a Special Enrollment Period. Examples of these are: (1) an enrollee moves out of a plan's service area; (2) the enrollee has (or loses) Medicaid coverage; (3) an enrollee qualifies for (or loses) Extra Help in paying certain expenses; and (4) the enrollee moves into an institution such as a nursing home.
6. **5-Star special enrollment period:** An enrollee may change to a Medicare Advantage plan that has five stars for its overall rating from December 8 to November 30 of the following year. An enrollee may only use this Special Enrollment right once during this timeframe.

Once a plan has been chosen, that choice will remain in effect until the enrollee changes it or the plan no longer serves the area in which the enrollee lives.¹ If an individual fails to make an election, he or she will remain in the Original Medicare fee-for-service program.

Getting Help Deciding

A number of resources are available to help Medicare beneficiaries answer questions about Medicare, including:

- **Medicare:** Medicare can be reached online at <https://www.medicare.gov/> By phone, Medicare can be reached at (800) 633-4227. TTY users can call (877) 486-2048. An individual can also write to Medicare at PO Box 1270, Lawrence KS 66044.
- **State Health Insurance Assistance Programs (SHIP):** SHIPS are state-run programs that receive money from the federal government to provide free, personalized counseling. The telephone number and website for a state's SHIP program can be found on the web at <https://www.shiphelp.org> and also in the Medicare publication, Medicare and You 2025.

¹ Not all Medicare Advantage options are available in all geographic areas.

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