

What to Look for When Shopping for a Medicare Advantage Plan

If you're set on a Medicare Advantage (MA) plan, or if you're just trying to learn what they're all about, there are some things that might help you choose the best plan for you. If you learn how to shop for an MA plan, you'll find that you end up with what you need.

1 Explore plan types.

Once you've decided that an MA plan is best for you, it's important to know that there are different types of MA plans, and each one operates a little bit differently. Here are the most common types:

Medicare Health Maintenance Organization (HMO) Plan

HMO plans provide Original Medicare Part A and Part B health coverage and sometimes cover Part D prescription drug coverage. In most HMOs, you can only get your care from doctors or hospitals in the plan's network (*except in emergency or urgent situations*).

Medicare Point-of-Service (POS) Plan

POS plans are available in a local or regional area, and they combine the features of an HMO with an out-of-network benefit. Like the HMO, members are required to designate an in-network physician to be the primary care provider (PCP). However, you can use doctors, hospitals and providers outside of the network for a higher out-of-pocket cost. You'll often see these plans listed as HMO-POS.

Medicare Preferred Provider Organization (PPO) Plan

PPO plans provide Original Medicare Part A and Part B health coverage and sometimes cover Part D prescription drug coverage. PPOs have network doctors and hospitals, but you can also use out-of-network providers—usually at a higher cost.

Medicare Private Fee-for-Service (PFFS) Plan

With a PFFS plan, you can go to any Medicare-approved doctor, hospital and provider that accepts the plan's payment, terms and conditions and agrees to treat you; not all providers will. If you join a PFFS plan that has a network, you can see any of the network providers who've agreed to treat plan members. You'll usually pay more to see out-of-network providers.

Medicare Special Needs Plan (SNP)

An SNP has a benefit package designed for people with special health care needs. Examples of the specific groups served include people who have both Medicare and Medicaid, people who reside in nursing homes and people who have certain chronic medical conditions.

Medicare Medical Savings Account (MSA) Plan

MSA plans combine a high-deductible health plan with a bank account. The plan deposits money from Medicare into the account. You can use it to pay your medical expenses until your deductible is met.

2 Decide if you want to keep your current doctors and pharmacies.

If you've built a relationship with your PCP and specialists and you want to keep seeing them, make sure they're in network with the MA plan that you choose. While some types of MA plans let you see out-of-network providers, it's usually at a higher cost. So it's best to choose a plan that lists your current providers as being in network. You might also find that, for a plan that isn't in network with your doctor, the benefits that plan offers are more important than keeping your doctor. Each plan has a network of highly qualified, skilled physicians who are eager to help you. It's very likely that you'll find a new doctor whom you like and trust.

3 Explore benefits that are important to you.

Medicare Advantage plans are considered all-in-one plans. That means they have all the coverage of Original Medicare but also include extras—like dental, vision and prescription drug coverage—that you'd normally have to seek out in another individual plan. Extras can also include things like fitness club memberships, transportation to and from medical appointments and allowances for over-the-counter items. And the list doesn't stop there.

Extras aside, each MA plan is also different in the basic benefits it offers. When considering an MA plan, you should think about the lifestyle that you live and health services you use or want to use in the future. Here's a list of some benefits offered by MA plans. Not all plans offer the same benefits, and this list isn't all inclusive.

- Dental
- Vision
- Hearing
- Over-the-counter spending allowance
- Transportation
- Worldwide coverage
- Acupuncture
- Chiropractic services
- Post-discharge meals
- Fitness club memberships
- Telehealth
- Hearing aid coverage



4 Make sure you're comfortable with the costs.

Premiums. Copays. Coinsurance. Deductibles. Maximum out-of-pocket amounts. These are the important costs to consider when choosing an MA plan. You know your finances the best, so it's important that you're comfortable with these costs.

Many MA plans don't require some of them, but some require all. It's up to you to do your research and weigh the pros and cons of each plan's costs versus its benefits. You'll also want to take your own health care needs into account. To help with your decision making, let's break down what each cost is.

Premium

A premium is the amount that you pay monthly for health care. You pay this whether or not you use your benefits. Many MA plans don't require a premium and use a pay-as-you-go approach when it comes to health care.

Copay

Copays are set amounts that you pay for medical visits or services. You pay these amounts regardless of the services performed. A copay usually gives people a sense of security in knowing how much they'll have to pay for a provider visit or service. You can be billed more than the copay if services go beyond what the copay covers. For example, if your doctor performs tests at your office visit, you can be billed for those tests as an additional charge.

Coinsurance

Coinsurance is a percentage of a medical visit or service that your plan requires you to pay. This percentage can be required after you meet your deductible.

Deductible

A deductible is the amount your plan requires you to pay before they offer a larger percentage of coverage or before they start paying for medical services or for prescription drugs. Many MA plans don't have deductibles.

Maximum out-of-pocket amount

This is the most that you can be charged in a given plan year for your health care. Depending on the plan, the cost of prescriptions might not be included in this amount.

5 Decide if you want drug coverage and consider drug deductibles.

While most MA plans offer prescription drug coverage, some don't. You'll need to decide if having that coverage is necessary. Keep in mind that if you don't choose an MA plan with drug coverage, you're still required to have some form of creditable prescription drug coverage to remain penalty free. If you're without drug coverage for a period of 63 days or more in a row, you'll have to pay a penalty for as long as you have Medicare coverage. When you're deciding if you want coverage, ask yourself these questions:

- How many medications do I currently take?
- Do I expect to change medications or add any medications in the near future?
- Do I feel more secure knowing my medications are covered?

Prescription drugs can be extremely costly without coverage. Even if you're in good health and don't expect to need any medications, the truth is that you never know what might happen in the future. One fall in your driveway could mean a new medication for a year or more. And the cost of that medication can add up quickly.

If you've decided that you want drug coverage, consider the deductible associated with that coverage. Most MA plans don't have a prescription drug deductible, but some do. If you're leaning toward an MA plan with a drug deductible, make sure that you're comfortable with that amount.

6 Look at a plan's Star Ratings.

Star Ratings offer an unbiased evaluation of the various Medicare options available to you. Plans are evaluated each year by the Centers for Medicare & Medicaid Services (CMS) based on a number of criteria including:

- ✓ If members got important screenings and tests
- ✓ How consumers rate their own plan
- ✓ How well the plan handles customer service

Medicare plans can earn from 1 to 5 stars—with 1 being poor and 5 being excellent. They can change from year to year, so check [Medicare.gov](https://www.Medicare.gov) for current year results. Plans don't receive Star Ratings until after their third year of operation. You might see some plans that state they're too new to be rated.

When you're ready to shop for an MA plan, you have several enrollment options. You can directly contact the plan you're interested in to speak to a licensed agent. You could also choose to work with an independent agent or broker who represents multiple plans. If you'd like to work independently, you can visit [Medicare.gov](https://www.Medicare.gov) and shop on your own. Just remember, if you keep your best interest and needs in mind and consider all the points listed, chances are that you'll end up with a plan that makes you happy.