

Published on *SeniorNavigator* (<https://seniornavigator.org>)

The Big Choice: Original Medicare vs. Medicare Advantage

Which path you take will determine how you get your medical care — and how much it costs.

En español | As you think about how Medicare will cover your health care needs, your first major decision should be whether you want to enroll in federally run original Medicare or select a [Medicare Advantage](#) plan, the private insurance alternative.

Think of it as choosing between ordering the prix fixe meal (Medicare Advantage) at a restaurant, where the courses are already selected for you, or going to the buffet ([original Medicare](#)), where you must decide for yourself what you want.

If you elect to go with original Medicare, your buffet will include [Part A](#) (hospital care), [Part B](#) (doctor visits, lab tests and other outpatient services) and [Part D](#) (prescription drugs). If you decide to go with Part C, a Medicare Advantage plan, it will be more like a set menu, since a private insurer has already bundled together parts A and B and almost always D into one comprehensive plan.

Some aspects of your care will be constant whichever plan you choose. Under both choices, any [preexisting conditions](#) you have will be covered and you'll also be able to get coverage for prescription drugs.

But there are significant differences in the way you'll use Medicare depending on whether you pick original or Advantage. Here's a comparison of how each works.

Going to the doctor

Under original Medicare, you can choose any providers — primary care doctors and specialists — who accept Medicare. You don't need referrals to see any medical provider and you don't have to worry about your doctor leaving a plan's network.

According to the Kaiser Family Foundation, only 1 percent of doctors don't participate in Medicare and, for example, 83 percent of primary care physicians accept new Medicare patients. That means chances are pretty good that any doctor you are currently seeing will accept Medicare and you won't have to change providers.

Under Medicare Advantage, you will essentially be joining a private insurance plan like you probably had through your employer. The most common ones are health maintenance organizations (HMOs) and preferred provider organizations (PPOs). Medicare Advantage employs managed care plans and, in most cases, you would have a primary care physician who would direct your care, meaning you would need a referral to a specialist. HMOs tend to have more restrictive choices of medical providers than PPOs. Medicare Advantage plans have become increasingly popular. Nearly 32 million, almost half of all Medicare beneficiaries, are enrolled in one of these plans and the average enrollee has more than 43 plans to choose from.

Covered care

While Medicare will cover most of your medical needs, there are [some things the program typically doesn't pay for](#) — like cosmetic surgery or routine dental, vision and hearing care. But there are also differences between what services you get help paying for.

Under original Medicare, you can get a wide variety of medical services including [hospitalizations](#); doctor visits; diagnostic tests, such as X-rays and other scans; blood work; and outpatient surgery.

Under Medicare Advantage, you will get all the services you are eligible for under original Medicare. In addition, some MA plans offer care not covered by the original option. These include some dental, vision and hearing care. Some MA plans also provide coverage for gym memberships. And in the past few years the federal government has been adding services these plans can offer, including such home improvements as wheelchair ramps to help Medicare beneficiaries remain at home, providing transportation to doctors' offices, coverage of some over-the-counter medications, acupuncture and getting meals delivered. Which services are available varies by plan.

Costs

Under original Medicare, the federal government sets the premiums, deductibles and coinsurance amounts for Part A (hospitalizations) and Part B (physician and outpatient services). For example, under Part B, beneficiaries are responsible for 20 percent of a doctor visit or lab test bill. The government also sets maximum deductible rates for the [Part D prescription drug program](#), although premiums and copays vary by plan. Many beneficiaries who elect original Medicare also purchase a supplemental – or [Medigap](#) – policy to help defray many out-of-pocket costs, which Medicare officials estimate could run in the thousands of dollars each year. There is no annual cap on out-of-pocket costs.

Under Medicare Advantage, enrollees must still pay the government-set [annual Part B premium](#) and sometimes an additional premium for the MA plan. But instead of paying the 20 percent coinsurance amount for doctor visits and other Part B services, most MA plans have set copay amounts for a physician visit, and typically that means lower out-of-pocket costs than original Medicare. MA plans also have an annual cap on out-of-pocket expenses.

You should also check if you are eligible for [Medicaid](#) or any of the other [assistance programs](#) Medicare offers to low-income enrollees.

Logistics

Under original Medicare, to get the full array of services you will likely have to enroll in [four separate elements](#): Part A; Part B; a Part D prescription drug program; and a supplemental or Medigap policy. Physicians and hospitals have to file claims for each service with Medicare that you'll have to review.

Medicare Advantage is a one-stop-shopping program that combines Part A and Part B into one plan. In addition, about 90 percent of MA plans also include prescription drugs, which means you wouldn't have to enroll in a separate Part D plan. There are no Medigap policies for Advantage plans. You do want to be careful to make sure all your doctors are in the plan's network, though that could change over time.

Where you live

Under original Medicare, you can access care anywhere in the United States as long as the provider accepts Medicare.

Medicare Advantage plans are based around networks of providers that are usually self-contained in a specific geographic area. So, if you travel a lot or have a vacation home where you spend a lot of time, your care may not be covered if you go to out-of-network providers, or you would have to pay more for care. In addition, while MA plans are pretty much available throughout the United States, the choice of plans is more limited in rural areas.

Neither original Medicare nor Medicare Advantage covers your [health care abroad](#).

More on Medicare

- [10 common Medicare mistakes to avoid](#)
- [Medicare open enrollment: Everything you need to know](#)
- [10 steps to take after you sign up for Medicare](#)

Editor's note: This story, originally published July 1, 2020 has been updated to reflect the most current information.

----- Written by Dena Bunis, AARP

AARP was founded in 1958 and has over 38 million members. It is a nonprofit, nonpartisan organization for people over the age of 50. AARP is well-known for its advocacy efforts, providing its members with important information, products and services that enhance quality of life as they age. They also promote community service and keep members and the public informed on issues relating to the over 50 age group.

Article Source

AARP

Source URL

<https://www.aarp.org>

Last Reviewed

Tuesday, January 2, 2024