

Medicare Advantage



What is Medicare Advantage?

Medicare Advantage is an insurance option available to qualified seniors that replaces traditional Medicare benefits with insurance plans administered by private companies under contract with the federal government. It is an optional alternative to Traditional Medicare.

How is Medicare Advantage Different from Traditional Medicare? Here are some characteristics of each:

Traditional Medicare Part A + Part B

- Inpatient Hospital Care
- Skilled Nursing Care
- Physician and other provider services
- Medigap plans can be added to help cover the cost of copays, coinsurance, and other out-of-pocket expenses
- Add a Part D plan for prescription drugs
- You can see any provider that accepts Medicare

Medicare Advantage Part C

- Covers most medical care (must include the coverage provided by Parts A and B in Traditional Medicare)
- Often covers prescription drugs so a separate Part D plan is not required
- Often covers some additional benefits Monthly premiums may be lower, but copays and coinsurance are still a factor
- The Medicare Advantage plan has a “network” of providers not necessarily as comprehensive as Traditional Medicare

The Main Message:

Do research before deciding between a Medicare Advantage plan and Traditional Medicare.

Key Risks of Medicare Advantage Plans:

Medicare Advantage (MA) plans have unique characteristics that should be considered, particularly for individuals with complex or serious health conditions. These plans typically require prior authorization for a wide range of services. They use provider networks, which can limit access to preferred physicians or facilities. Additionally, some MA plans have been shown to issue a higher rate of service denials compared to Traditional Medicare, potentially delaying or denying medically necessary care. These factors can result in unexpected, out-of-pocket costs and challenges in obtaining timely treatment. On the other hand, MA plans often offer additional benefits. The main message, again, is to do research before choosing.

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1. Ask yourself the following questions

- Do I qualify for payment assistance (e.g., Medicare Savings Programs, Part D Low Income Subsidy) or do I receive Supplemental Security Income (SSI)? If so, your out-of-pocket expenses for Traditional Medicare could be reduced.
- Am I comfortable with more of my care being pre-approved by the insurance PLAN?
- Do I frequently travel outside my general home area?
- What medications do I take? Am I able to change them if my coverage changes?
- How important are limits on annual out-of-pocket costs?
- Do I value extra services like dental, hearing or gym memberships?
- Do I prefer the stability of Traditional Medicare over potential annual plan changes?
- Will I seek care more often if it's easily accessible and broadly covered?
- Am I willing to change providers?

2. Assess your current coverage

- Are you comfortable with your current out-of-pocket cost levels?
- Are you happy with the network of providers you are able to access?
- Review your annual notice of change letter for plan updates.

3. Know your Medicare options

- Understand the differences between Parts A, B, C and D.
- Understand which Medicare Advantage plans are available to you.
- Understand which Medigap plans are available to you.

4. Understand the MA plan's network

- MA plans have designated provider networks. Write down any physician, hospital, or medical clinic you may need. Call each of them to ask what Medicare Advantage plans they accept.
- Find out if your prescription drugs are on the MA plan's formulary.

5. Compare all out-of-pocket costs

- Examine your benefit statements and medical bills from the past year and add up what you paid in deductibles and copays plus monthly premium costs. This is when Medicare Advantage can look inexpensive, but you must dig a little deeper to fully understand your potential out-of-pocket costs with a Medicare Advantage plan.
- Consider any medical care you may need in the following year, such as a knee replacement, dialysis, or a pacemaker. Consider whether a Medigap plan with Traditional Medicare is a better or worse option than MA.

6. Investigate requirements

- Are you comfortable with your insurance provider directing where to receive your medical care?
- Are you comfortable with needing approval for tests, treatments, or specialists?
- Do your preferred providers have any suggestions about MA plan requirements, based on your care plan?

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7. Call the MA plan directly

- If a physician I need to see is out-of-network, will the plan cover my visits? Will I pay more out-of-pocket for an out-of-network provider or facility?
- What is the service area for this insurance plan and how far may I need to travel to find an in-network specialist or facility for specialized services?
- Does my physician need to get approval from the plan to admit me to a hospital?
- Do I need a referral from my physician to see a specialist?
- Are there higher copays and deductibles for certain types of care, such as hospital stays, home health care, or rehabilitation care?
- Does the plan cover any services that traditional Medicare does not? Are there any rules, policies, or restrictions that I need to be aware of before accessing these benefits?
- How can I obtain assistance from the MA plan when I need it?

- Does the plan impose any coverage restrictions on prescription drugs? Can we go through my current prescriptions to determine if they are on the insurance plan's formulary?

8. Know consequences of switching

- At age 65, you have a guaranteed right to buy a Medigap plan at a market rate price.
- If you join a MA plan, and then leave it in the future, you may have to pay more for a Medigap plan, although Virginia has a law that allows you to switch your Medigap plan within 60 days of your birthday to a plan with equal or lesser benefits.

9. Consult your provider & hospital

- One way to learn about a Medicare Advantage plan's approval and authorization practices is to ask your health care provider and local hospital.

TRADITIONAL MEDICARE MAY BEST FOR YOU IF:

- You have known health issues you are already under the care of a provider for, and you want access to any physicians and hospital networks that accept Medicare.
- You want to be able to access care anywhere in the U.S. without additional out-of-pocket costs.



MEDICARE ADVANTAGE MAY BE BEST FOR YOU IF:

- You are a healthy adult who does not have many health care needs and value the extra perks MA plans may offer.
- You are comfortable with managed care characteristics, including limited networks, the need for prior approvals and referrals for services, and drug formularies.



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Timely Decision

Enrollees have the right to have a timely decision from Medicare Advantage plans for:

- Whether the insurance will pay for any healthcare services the patient believes are covered under Medicare.
- Whether the insurance will reduce or prematurely discontinue ongoing services that were previously approved.
- Approving/denying healthcare services in a timely manner where a delay may adversely affect the health of an enrollee.
- If prior approval is required, Medicare Advantage plans must typically respond within 14 days (7 days beginning Jan. 1, 2026).

Expedited Decision

- Enrollees or physicians have the right to request an expedited decision for care approval if they believe 14 days (or 7 days starting in 2026) is too long to wait for a decision.
- MA plans must respond to expedited requests within 72 hours.

Grievances

Enrollees have the right to have grievances with the Medicare Advantage plan heard and resolved. If an enrollee is dissatisfied with any part of a decision for the MA plan, they have the following appeal rights:

- The right to reconsideration of the adverse decision by the MA plan
- The right to request an expedited reconsideration

Additional Resources

For more information and resources, go to:
vhha.com/health-care-finance/medicare-advantage

Prepared by the Virginia Hospital & Healthcare Association for educational purposes only. We do not recommend or endorse any specific company or decision on participation in any Medicare, Medigap, or Medicare Advantage plan. For more information, visit Medicare.gov or call 1-800-MEDICARE. Version: September 2025.

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Scan this QR code to access additional resources:

