



## Understanding the differences between Traditional Medicare, Medigap and Medicare Advantage

Traditional Medicare	Medigap	Medicare Advantage
<ul style="list-style-type: none"> <li>• Consists of Medicare Part A (hospital) and Medicare Part B (medical coverage).</li> <li>• Part D (drug coverage) must be purchased separately.</li> <li>• Most people pay a monthly, income-based premium for Medicare Part B.</li> <li>• Does not cover vision, hearing or dental benefits.</li> <li>• Does not have an annual limit on out-of-pocket spending.</li> </ul>	<ul style="list-style-type: none"> <li>• Optional coverage for Traditional Medicare beneficiaries.</li> <li>• Pay additional premium to cover services not covered under traditional Medicare such as copays, coinsurance and deductibles.</li> <li>• Medigap plans are provided by private companies.</li> <li>• There are 10 different types of Medigap plans that vary by design.</li> <li>• With a Medigap plan, you are still required to pay Part B premiums.</li> <li>• Does not have an annual limit on out-of-pocket spending.</li> </ul>	<ul style="list-style-type: none"> <li>• Covers traditional Medicare Parts A (hospital) and B (medical) benefits.</li> <li>• Almost 90% of Medicare Advantage plans also include Part D (prescription drug) coverage.</li> <li>• Over 97% of Medicare Advantage plans offer at least a vision, hearing or dental benefit.</li> <li>• Approximately 50% of Medicare Advantage plans offer all three benefits.</li> <li>• There is an annual cap limit on out-of-pocket spending. This limit changes each year.</li> <li>• Medicare Advantage is provided through private insurance companies.</li> <li>• The government sets quality standards, known as star ratings, for Medicare Advantage plans.</li> <li>• Under Medicare Advantage, you are still required to pay Part B premiums.</li> <li>• Some Medicare Advantage plans do not have an additional premium, whereas other Medicare Advantage plans require an additional premium.</li> <li>• These premiums may differ in cost due to zip code and plan type.</li> </ul>

Source: <http://bettermedicarealliance.org/sites/default/files/2017-06/BMA%202016%20Medicare%20Enrollment%20Guide.pdf#page12>

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