

Medicare Advantage vs. Medigap

Medicare Advantage

How Do Medicare Advantage Plans Work?

A Medicare Advantage plan replaces your Medicare Part A and B benefits.

Sold by private insurance companies, these plans cover everything Original Medicare covers, but may offer extra benefits for things that Medicare doesn't include.

Additional benefits may include:

- Prescription drug benefits
- Discounts for hearing, dental, and vision care

You may purchase a Medicare Advantage plan after enrolling in Medicare Part A and Part B.

Medigap

How Do Medigap Plans Work?

A Medicare Supplement (Medigap) plan does not replace your Medicare Part A and B benefits.

Medigap is intended to cover certain gaps that Original Medicare doesn't pay for — such as coinsurance, copayments, and deductibles.

Original Medicare only pays 80% of covered services. A Medigap plan helps cover some or all of the 20% gap that you have to pay out-of-pocket.

You may purchase a Medigap plan after enrolling in Medicare Part A and B.

How Are Medicare Advantage and Medigap Different?

Medigap: You may access any doctor or provider who accepts Medicare. You will have much LOWER out-of-pocket costs.

Medicare Advantage: You may only use doctors and other providers who are in the plan's network and service area (for non-emergency care). You will have HIGHER out-of-pocket costs.

Comparing Plans

Medicare Advantage:

You may only use doctors and other providers who are in the plan's network and service area (for non-emergency care).

Choice of Doctors



Medigap:

You may use any doctor or hospital in the U.S. that accepts Medicare.

Costs



Premiums range from \$0 to \$100. Exact cost depends on county of residence.

The average Medigap cost is \$163 per month.

Coverage



Advantage "replaces" services that Original Medicare covers. Plans may offer extra benefits that Original Medicare doesn't cover - like vision, hearing, and dental services.

Medigap covers the gaps left by Original Medicare Part A & B.

Out-of-Pocket Limits



Out-of-pocket costs will not exceed \$7,550 for in-network services and \$11,300 for in-and out-of-network services combined.

The most popular Medigap plan (Plan G) limits out-of-pocket costs to an amount equal to the Part B deductible (\$226 for 2023).

Prescription Drug Coverage



Plans may include prescription drug coverage.

You must enroll in a Medicare Part D drug plan.

Referrals



You may be required to get a referral from your primary care doctor to see a specialist.

Referrals are NOT required.

Which One Should I Choose?

The plan you select will depend on the specifics of your situation.

If you don't mind referrals and using in-network healthcare providers, **Medicare Advantage** (also called Part C) might be better for you.

If you want network freedom and the most comprehensive coverage, then a **Medigap plan** may be the best option.

With Policy Guide's assistance, you can compare different health plans and prices to ensure that you make an informed decision.

Let us guide you through this process so that your chosen plan best suits your needs.



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Simplifying the Insurance Process through Education