Introduction to Medicare Part D and Advantage Plans

When enrolling in Medicare, patients have two main options for medical, hospital, and prescription drug coverage:

1. They can choose to receive medical and hospital coverage through "Original Medicare" (Parts A and B) and enroll in a stand-alone Medicare Part D plan (PDP). They also have an option to sign up for Medigap plan to help cover certain expenses such as deductibles and coinsurance.

2. People can sign up for a Medicare Advantage plan, also known as "Part C", which is a combination of medical, hospital, and drug (A, B, and D) all in one plan. Advantage plans are run by private companies that contract with Medicare. The patient would still have Parts A and B through Medicare, but they would receive all their medical, hospital and drug coverage through this private company. These plans are also known as MA-PDPs.

Medicare Part A: Hospital Coverage

Most people are eligible for premium-free Part A. If a patient or their spouse did not pay Social Security taxes for at least ten years of work, they may be required to pay a Part A premium.

Medicare Part B: Medical Coverage

The standard Part B premium for 2017 is $134 per month. Patients may pay more or less based on their income. This premium is deducted from the enrollee's Social Security benefit. Patients can delay signing up for Part B if they have other coverage through a current employer.
Pros of Original Medicare with a stand alone Part D plan (PDP):

- The patient can see any doctor or go to any hospital that is contracted to accept assignment with Medicare. This option allows the broadest possible choices in doctors and other providers.

- Patients don’t need prior approval or a referral to see a specialist or have a procedure.

- Patients can mix and max with Medigap and Part D coverage as they so desire.

Cons of Original Medicare with a stand-alone Part D plan:

- Original Medicare (Part A and B) has deductibles and a 20% coinsurance for medical and hospital coverage. If someone sees many doctors or requires hospitalization, and they don’t purchase a Medigap plan, it can be expensive.

- Original Medicare does not cover vision, dental, or hearing. The patient would need to sign up for a separate supplement.

COBRA and retiree coverage are not considered current employee coverage; in these cases patients should enroll in Part B during their initial eligibility period to avoid a penalty.

Medicare Part D: Drug Coverage

Prescription drug coverage is administered by private companies contracted with Medicare. Monthly premiums vary by plan. Patients can decide if they want to be billed monthly or have it deducted from their Social Security benefit. People must be enrolled in Part A to sign up for Part D.

Medicare Part C: Medicare Advantage

Most advantage plans are a combination of Parts A, B, and D all in one plan. A small number of advantage plans are only Part A and Part B with no drug coverage. Many advantage plans also have hearing, vision, and/or dental coverage. In most cases the patient will need to continue paying their Part B premium.

Medicare Part D: Drug Coverage

Prescription drug coverage is administered by private companies contracted with Medicare. Monthly premiums vary by plan. Patients can decide if they want to be billed monthly or have it deducted from their Social Security benefit. People must be enrolled in Part A to sign up for Part D.

Medicare Part C: Medicare Advantage

Most advantage plans are a combination of Parts A, B, and D all in one plan. A small number of advantage plans are only Part A and Part B with no drug coverage. Many advantage plans also have hearing, vision, and/or dental coverage. In most cases the patient will need to continue paying their Part B premium.
**Pros of Medicare Advantage Plans:**

- Advantage plans usually have set copays for doctor appoints, hospitalization, and other services.
- They have an out-of-pocket max for hospital and medical coverage.
- Many (but not all) advantage plans offer dental, hearing and/or vision coverage.

**Cons of Medicare Advantage plans:**

- Advantage plans have limited doctor and hospital networks. The patient would need to make sure their current providers are in network with the plan.
- Advantage plans usually require a referral to see a specialist and prior approval by the plan for medical procedures.

**Open Enrollment is every year October 15th-December 7th.**

**During this time a patient can:**

- Change from Original Medicare and Part D to a Part C plan (Medicare Advantage)
- Change from Medicare Advantage back to Original Medicare and a Part D plan
- Join or change Medicare Part D plans
- Change Medicare Advantage plans

Note: If a patient on a Medicare Advantage plan enrolls in a stand-alone Part D plan (PDP) during Open Enrollment, they will be disenrolled from their Advantage plan and have health coverage through Original Medicare starting January 1st.