

**BETTER MEDICARE**

ALLIANCE



# **2020 MEDICARE ADVANTAGE OPEN ENROLLMENT GUIDE**

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**Better Medicare Alliance (BMA)** is the leading advocacy coalition for Medicare Advantage. As a community of experts, we're leading the way on health care through research, advocacy, and grassroots organization to create a path forward for innovative, modern health care on behalf of seniors and people with disabilities. Medicare Advantage offers quality, affordability, simplicity, and enhanced benefits to over 22 million Medicare-eligible beneficiaries, one-third of all eligible beneficiaries across the country. BMA is a community of nearly 140 Ally organizations and more than 400,000 senior advocates, who recognize the value of - and advocate for - Medicare Advantage.

The Medicare Advantage Open Enrollment Guide is an educational tool to help legislative offices engage and inform Medicare beneficiaries on the choices they have in Medicare. Please visit our websites for additional resources and information: [www.BetterMedicareAlliance.org](http://www.BetterMedicareAlliance.org) and [www.MedicareMyWay.com](http://www.MedicareMyWay.com).

# Understanding Medicare Open Enrollment

## Who is eligible for Medicare?

- U.S. citizens and legal residents must live in the U.S. for at least 5 years in a row, including the 5 years just before applying for Medicare. You must also meet one of the following requirements:
  - Age 65 or older
  - Younger than 65 with a qualifying disability
  - Any age with a diagnosis of End-Stage Renal Disease (ESRD) or ALS

## How do you enroll?

- If you are receiving Social Security benefits as of your 65th birthday, you should be automatically enrolled in Medicare Part A. You will need to sign up for Part B and payment for Part B should be automatically deducted from your Social Security benefits.
- If you are not receiving Social Security benefits, when you turn 65 years old or become eligible for other reasons, you will need to enroll in Part A and Part B yourself. You can go to [SSA.gov/Medicare](https://www.ssa.gov/Medicare), call 1-800-772-1213 or visit your local Social Security office.
- Once you are enrolled in Part B, you can choose how you wish to receive your Medicare benefits, either through Traditional Medicare (Parts A and B) or Medicare Advantage (Part C). In general, you can enroll in any Medicare plan in your area during your initial enrollment and make changes during the annual open enrollment period each year, which is October 15 to December 7.

## What are my choices?

- You can choose Traditional Medicare (Parts A and B). Part A is hospital coverage and Part B is medical coverage. Traditional Medicare is provided by the federal government. Benefits and coverage are the same across the country.

OR

- Or you can join a Medicare Advantage plan (Part C). Medicare Advantage plans combine Part A and Part B coverage. Many also include prescription drug coverage (Part D) and offer additional benefits. Plans are offered by private insurance companies and paid by the federal government for Medicare covered benefits.

## What is Open Enrollment?

During Medicare Open Enrollment (October 15 to December 7), you can:

- Change from Traditional Medicare to a Medicare Advantage plan.
- Change from a Medicare Advantage plan to Traditional Medicare.
- Switch from one Medicare Advantage plan to another Medicare Advantage plan.
- Switch from a Medicare Advantage plan that does not offer drug coverage to a Medicare Advantage plan that offers drug coverage.
- Add, switch, or drop drug coverage with an independent drug plan.

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# Understanding Your Medicare Options

## TRADITIONAL MEDICARE

- This includes Parts A and B.
- If you want a drug coverage, you need to join a Part D plan separately.
- To pay your out-of-pocket costs in Traditional Medicare you would need help from supplemental coverage.



**Part A**



**Part B**



You can add:



**Part D**



You can also add:



**Supplemental Coverage**

Some examples include coverage from former employer or union, or Medigap policies.

## MEDICARE ADVANTAGE

- Medicare Advantage is an “all in one” alternative to Traditional Medicare. These “bundled” plans include Part A, Part B, and usually Part D. Medicare Advantage is commonly referred to as Medicare Part C.
- Medicare Advantage plans are required to place a limit on out-of-pocket costs (excluding Part D).
- Most plans offer extra benefits that Traditional Medicare doesn’t cover like vision, hearing or dental coverage.



**Part A**



**Part B**



Most plans include:



**Part D**



Most plans also include:



**Lower out-of pocket costs**



**Extra Benefits**

This chart is adapted from the Centers for Medicare & Medicaid Services (CMS) *Medicare & You 2020 Handbook*.

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# Things to Consider When Choosing Medicare

## Doctors and Hospital Choice

Traditional Medicare	Medicare Advantage
You can go to <b>any doctor that accepts Medicare</b> .	In most cases, you'll need to use <b>doctors who are in the plan's network</b> (for non-emergency or non-urgent care). Ask your doctor if they participate in any Medicare Advantage plans.
In most cases you <b>don't need</b> a referral to see a specialist.	You <b>may need</b> to get a referral to see a specialist.

## Costs

Traditional Medicare	Medicare Advantage
For Part B services, <b>you usually pay 20% of the Medicare-approved amount</b> after you meet your deductible.	<b>Out-of-pocket costs vary</b> —some plans have low or no out-of-pocket costs.
You <b>pay a premium (monthly payment) for Part B</b> . If you choose to buy prescription drug coverage, you'll pay that premium separately.	You may <b>pay a premium for the plan</b> (most include prescription drug coverage) <b>and a premium for Part B</b> . Some plans have a \$0 premium or will help pay all or part of your Part B premium.
There's <b>no annual limit</b> on what you pay out-of-pocket.	Plans have a <b>annual limit</b> on what you pay out-of-pocket for Medicare Part A and B services. Once you reach the limit, you'll pay nothing on covered services for the year.

## Coverage

Traditional Medicare	Medicare Advantage
Covers medically-necessary services and supplies in hospitals, doctors' offices, and other health care settings.	Plans must cover all services that Traditional Medicare covers. Most plans <b>offer extra benefits that Traditional Medicare doesn't cover</b> — like vision, hearing, or dental. In 2020, some plans may also offer new benefits to address chronic illness.
You must join a <b>separate Medicare Prescription Drug Plan</b> to get drug coverage.	<b>Prescription drug coverage is included</b> in most plans.
In most cases, you don't have to get a service or supply approved ahead of time for it to be covered.	In some cases, you have to get a service or supply approved ahead of time for it to be covered by the plan.

This chart is adapted from the Centers for Medicare & Medicaid Services (CMS) [Medicare & You 2020 Handbook](#).

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# BACKGROUND ON MEDICARE ADVANTAGE

## Overview

Medicare Advantage, also called "Part C" or "MA," is an option that allows Medicare-eligible seniors and individuals with disabilities to choose a public-private health plan to receive their Medicare benefits, instead of receiving coverage through Traditional Fee-For-Service (FFS) Medicare. Over 22 million individuals, one-third of Medicare-eligible beneficiaries, have chosen Medicare Advantage over Traditional FFS Medicare.

Medicare Advantage is required to provide beneficiaries with all Part A (hospital coverage) and Part B (medical coverage) Medicare benefits. Most plans also include Part D prescription drug coverage. Unlike Traditional FFS Medicare in which providers are reimbursed for services provided (fee-for-service), Medicare Advantage plans are paid a fixed monthly payment for each beneficiary.

**Surveys show 92% of beneficiaries in Medicare Advantage are satisfied with their coverage.**

## Seniors Rely on Medicare Advantage for Quality, Affordable, Integrated Care

Medicare Advantage incentivizes primary care, early intervention, and care management. It also provides additional benefits, such as vision, hearing, dental, wellness programs, and reduced cost sharing for beneficiaries. Medicare Advantage has consumer protections including limits on annual out-of-pocket expenses for beneficiaries and quality accountability.

The Centers for Medicare & Medicaid Services estimate that the average monthly premium for a Medicare Advantage plan in 2020 will be \$23, the lowest average rate in 13 years (Centers for Medicare & Medicaid Services, 2019). In 2019, 46% of beneficiaries in Medicare Advantage were enrolled in plans with a zero-dollar premium.

## Demographics of Medicare Advantage

Over 28% of Medicare Advantage enrollees are minorities. 57% of Hispanic beneficiaries and approximately 40% of African-American Medicare beneficiaries choose Medicare Advantage. Nearly half of Medicare Advantage beneficiaries have annual incomes of less than \$24,000 (Anne Tumlinson Innovations, 2019).

## Bipartisan Congressional Support

Medicare Advantage has broad bipartisan support. In the current Congress, a bipartisan group of over 368 members of the U.S. House and Senate have publicly voiced their support for Medicare Advantage through advocacy, legislation and other measures. The past two Administrations have spoken highly of the innovative, quality care provided to beneficiaries by Medicare Advantage.

**For more information visit <http://www.bettermedicarealliance.org>**