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Step 3

## Your coverage options

Once you've signed up for Part A (Hospital Insurance) and Part B (Medical Insurance), you can choose which way you get your health coverage.

Feedback

### Choice 1: Do you want Original Medicare or Medicare Advantage?

There are 2 main ways to get your Medicare coverage – Original Medicare and Medicare Advantage.

[Compare Original Medicare & Medicare Advantage side-by-side.](#)

## Get Started with Medicare: What's the Difference Between Original Medicare ...



Original Medicare	Medicare Advantage (Part C)
<ul style="list-style-type: none"><li>• You pay for services as you get them. When you get a covered service, Medicare pays part of the cost and you pay your share.</li><li>• You can see any doctor or hospital that takes Medicare, anywhere in the U.S.</li></ul>	<ul style="list-style-type: none"><li>• You join a Medicare-approved plan from a private company that offers an alternative to Original Medicare for your health and drug coverage.</li><li>• In most cases, you can only use doctors who are in the plan's network.</li></ul>
<p><b>Includes:</b></p> 	<p><b>Includes:</b></p> 
<p><b>Part A</b></p> <p><b>Part B</b></p>	<p><b>Part A</b></p> <p><b>Part B</b></p>

Original Medicare	Medicare Advantage (Part C)
 <b>You can add:</b>  <b>Medicare drug coverage (Part D)</b>  <b>Supplemental coverage</b> (to help pay your share of costs): Medicare Supplement Insurance (Medigap), coverage from a former employer or union, or Medicaid	 <b>Most plans include:</b>  <b>Medicare drug coverage (Part D)</b> <b>Some extra benefits</b> (that Original Medicare doesn't cover – like vision, hearing, and dental services) <p>You must have both Part A and Part B to join a Medicare Advantage Plan.</p>

Are there different types of plans available? 

You may also have other coverage, like employer or union, military, or veterans' benefits. Learn how Medicare works with other insurance.

**Need help with your choices?**

Contact your local State Health Insurance Assistance Program (SHIP) to get free

personalized health insurance counseling. SHIPs aren't connected to any insurance company or health plan.

## Choice 2: If you picked Original Medicare, do you want to add more coverage?



### Medicare drug coverage (Part D)

If you chose Original Medicare and want to add drug coverage, you can join a separate Medicare drug plan. Medicare drug coverage is optional. It's available to everyone with Medicare.

Most Medicare Advantage Plans include Part D coverage. In most types of Medicare Advantage Plans, you can't join a separate Medicare drug plan.

[What types of plans let me join a separate Medicare drug plan? ⓘ](#)

Plans cover a variety of brand-name and generic prescription drugs. Each plan has a list of covered drugs, called a "formulary," that can vary in cost and specific drugs covered.

- Most plans have a monthly premium that you pay in addition to your Part B premium. You'll also pay other costs when you get prescriptions.
- Plans divide the covered drugs on their formulary into groups called "tiers" based on cost. A drug in a lower tier will cost less than a drug in a higher tier.

#### Avoid the penalty

You may pay a Part D late enrollment penalty if you don't join a Medicare drug plan when you first get Medicare and go 63 days or more without [creditable drug coverage](#). The penalty goes up the longer you wait to join a plan. In most cases, you pay this monthly penalty for as long as you have Part D coverage, even if you switch plans.

[How much is the Part D penalty? ⓘ](#)

[What should I consider when deciding to add drug coverage? ⓘ](#)

[Find out how Medicare drug coverage works with other insurance.](#)



## Medicare Supplement Insurance (Medigap)

Medicare Supplement Insurance (Medigap) is extra insurance you can buy from a private company that helps pay your share of costs in Original Medicare.

- You need both Part A and Part B to buy a Medigap policy.
- Some Medigap policies offer coverage when you travel outside the U.S.
- Generally, Medigap policies don't cover long-term care (like care in a nursing home), vision, dental, hearing aids, private-duty nursing, or prescription drugs.
- If you're under 65, you might not be able to buy a Medigap policy, or you may have to pay more.

Medigap policies are standardized, and in most states named by letters, like Plan G or Plan K. The benefits in each lettered plan are the same, no matter which insurance company sells it.

**Price is the only difference between policies with the same letter sold by different companies.**

### Get the lowest price

If you don't buy a Medigap policy within 6 months of when you first get both Part A and Part B, you may not be able to buy a policy or you may pay more.

[What should I consider when I buy a Medigap policy? ⓘ](#)

[Learn more about Medigap.](#)

## What do you want to do next?

Next Step