



[← Back to Get Started with Medicare](#)

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">• 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.• You can see any doctor or hospital that takes Medicare, anywhere in the U.S. <p>Includes:</p>  <p>Part A</p> <p>Part B</p>	<ul style="list-style-type: none">• You join a Medicare-approved plan from a private company that offers an alternative to Original Medicare for your health and drug coverage.• In most cases, you can only use doctors who are in the plan's network. <p>Includes:</p>  <p>Part A</p> <p>Part B</p>

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