mln Fact Sheet
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Original Medicare vs. Medicare Advantage

What's Changed?

- No substantive content updates.

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES
Medicare Learning Network®

People with Medicare can get their health coverage through Original Medicare or a Medicare Advantage (MA) plan. This fact sheet describes how different coverage affects:

- Seeing patients
- Processing claims
- Filing appeals

Seeing Patients

Original Medicare

If a patient has coverage through Original Medicare and you accept assignment, you can treat the patient without a referral and submit the claim directly to Medicare.

- By accepting assignment, you agree to charge the patient only the Medicare deductible and coinsurance amount.
- Ask your patient if they have Supplemental Insurance (Medigap) to help pay out-of-pocket costs like the deductible and coinsurance. Wait for Medicare and the supplemental insurer to pay their share before billing the patient.

MA Plans

If a patient has an MA health care plan like a Health Maintenance Organization (HMO), they generally must see providers in their plan's network. Some plans, like a Preferred Provider Organization (PPO), let patients get non-emergency or non-urgent care out of network, but they'll pay a higher cost.

For MA plan patients:

- Check the MA plan for information on eligibility, coverage, and payment
- Each plan can have different patient out-of-pocket costs and specific rules for getting and billing for services
- You must follow the plan's terms and conditions for payment
- If you don't participate in an MA plan's network, tell the patient how it affects their cost and refer them to their plan for a list of participating providers

MA plans provide all Medicare Part A and Part B benefits excluding some costs associated with Medicare clinical trials, hospice services, and some temporary benefits involving legislation or national coverage determinations. If a patient gets hospice care or is in a clinical trial, Original Medicare usually covers these costs.

Federally Qualified Health Centers (FQHCs): If an MA plan's contract rate is lower than the amount Original Medicare pays for FQHC services, FQHCs contracting with MA plans get payment from Medicare to cover the difference.

Home Health: If a patient enrolls in an MA plan while getting home health services, we proportionately adjust the 30-day period payment with a partial payment adjustment because the patient is getting coverage under MA. Starting with the effective date of enrollment, the MA plan gets a capitation payment for covered services.

When a home health agency knows a patient will enroll in an MA plan as of a certain date, submit a claim for the period before the MA plan's enrollment date and code the claim with patient status 06.

DMEPOS: If a patient is enrolled in an MA plan, they must get DMEPOS items from the plan's approved suppliers.

Additional services: Most MA plans offer benefits Original Medicare doesn't cover, including fitness programs, vision, hearing, or dental services, and some supplemental mental health benefits.

Processing Claims

Original Medicare

Medicare Administrative Contractors (MACs) process Original Medicare claims.

After a MAC processes a claim, they'll send you a remittance advice that explains how the MAC processed the claim and what to do if you have questions. The patient gets a Medicare Summary Notice (MSN) saying the MAC paid or denied the claim.

MA Plans

MA plans process all claims through their own claims and payment procedures.

As with Original Medicare, the MA plan will send you a remittance advice after processing a claim. The patient gets an Explanation of Benefits (EOB) saying the plan paid or denied the claim.

Filing Appeals

People with health coverage through Original Medicare or an MA plan can appeal if they disagree with a coverage or payment decision. You can file an appeal on your patient's behalf. You can also provide information and documentation to help your patient's appeal.

Original Medicare

- Review the Medicare Parts A & B Appeals Process
- Visit Original Medicare (Fee-for-service) Appeals

MA Plans

- Visit Medicare Managed Care Appeals & Grievances
- Review Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance

Resources

- Internet-Only Manuals
- Local Coverage Determinations
- MA Plan Directory
- Medicare Coverage Database
- Medicare Managed Care Manual

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