

Report: Medicare Advantage Plans Can Be Too Good to Be True

By Littman Krooks LLP | 05/10/07

Medicare Advantage plans have serious disadvantages over original Medicare, according to a new report by the [Medicare Rights Center](#), *Too Good To Be True: The Fine Print in Medicare Private Health Care Benefits*. Medicare Advantage plans are provided by private insurers, unlike original Medicare, which is provided by the government. The government pays Medicare Advantage plans (formerly called Medicare managed care plans) a fixed monthly fee to provide services to each Medicare beneficiary under their care. The plans often look attractive because they offer the same basic coverage as original Medicare plus some additional benefits and services that original Medicare doesn't offer.

The idea behind the plans is to provide better services and lower out-of-pocket costs. However, it doesn't always work that way, according to the Medicare Rights Center. While the plans must provide a benefit "package" that is at least as good as original Medicare's and cover everything Medicare covers, the plans do not have to cover every benefit in the same way. For example, plans may pay less for some benefits, like skilled nursing facility care, and offset this by offering lower copayments for doctor visits.

The report, based on thousands of beneficiary calls to the Medicare Rights Center, lists nine common problems with Medicare Advantage plans. The problems include the following:

- Care can cost more than it would under original Medicare.
- Private plans are not stable and may suddenly cease coverage.
- Members may experience difficulty getting emergency or urgent care.
- Because plans only cover certain doctors, the continuity of care is often broken when the plan drops a provider.
- Members have to follow plan rules to get covered care.
- Members are restricted in their choices of doctors, hospitals, and other providers.
- It can be difficult to get care away from home.
- The extra benefits offered often turn out to be less than promised.
- People with both Medicare and Medicaid can encounter higher costs.

To read the full report, [click here](#).

For more about Medicare Advantage, [click here](#).