Medicare Advantage Fact Sheet

What is Medicare Advantage?

Medicare Advantage is a Medicare-approved plan from a private company that offers an alternative to Original Medicare. Plans must cover all medically necessary services that Original Medicare covers and generally include Part D, drug coverage. In most cases, you can only use doctors and other providers who are in the plan's network and service area. Additionally, you may need to get a referral or prior approval for a service or item before the plan will cover it. Plans may offer extra benefits that Original Medicare doesn't cover, like vision and dental services.

How much do Medicare Advantage Plans cost?

Premium Cost: All Medicare Advantage plan enrollees must continue to pay the Medicare Part B premium. Medicare Advantage plans may also charge an additional premium which will vary based on the plan. In Nebraska, additional premiums range from $0 - $189 per month in 2026.

Deductible and Other Costs: Out-of-pocket costs vary. Medicare Advantage Plans can have a deductible up to $500 per year. With a Medicare Advantage plan, you may owe a copay or coinsurance amount for each service or item, each time you receive it. For example:

- Primary doctor visit: $5 per visit, in-network, or $15 per visit, out-of-network
- Specialist visit: $35 per visit, in-network, or 50% per visit, out-of-network
- Outpatient hospital coverage: $0 - 350 per visit, in or out-of-network
- Emergency care: $110 per visit (always covered).

Out-of-Pocket Maximum: All Medicare Advantage plans have an out-of-pocket limit. This is the maximum a person can spend on medical expenses for the year. Once the out-of-pocket amount is reached, the plan covers 100% of cost. Each plan determines its own specific out-of-pocket limit. Prescription drug costs never count towards this dollar amount. Plans in Nebraska have a yearly limit or out-of-pocket maximum, between $2,500 - $13,900 per year, in 2026.

Who is eligible for a Medicare Advantage Plan?

Medicare Advantage plans accept all Medicare beneficiaries, including those on Medicare due to disability and those with End-Stage Renal Disease (ESRD). You must have Medicare Part A and Part B in order to join a Medicare Advantage plan. Your options will vary depending on where you live.

Provides Coverage of:

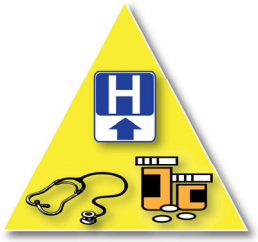
Inpatient Hospital *(Part A)*
Outpatient Medical *(Part B)*
And may include
Prescription Drugs *(Part D)*
Extra Benefits

Premium Cost Example:

Medicare Part A	$0.00
Medicare Part B	$202.90
Medicare Advantage*	$30.00
Combined Monthly Premiums	$232.90

**Prices are an example in Nebraska. Actual cost will depend on individual needs and the chosen plan.*

Medicare is individual insurance.



Medicare Advantage is another way to get your Medicare Part A and Part B coverage. Medicare Advantage plans are offered by Medicare-approved private companies that must follow rules set by Medicare. In most cases, you'll need to use health care providers who participate in the plan's network. Most plans will also provide Part D, prescription drug coverage.

What is a Health Maintenance Organization (HMO) Plan?

HMO

Coverage: In HMO plans, you generally must get your care and services from doctors, other health care providers, and hospitals in the plan's network. An exception can be made for temporary out-of-area dialysis. Emergency and urgent care is always covered. Most plans offer coverage of prescriptions drugs.

Premium Cost: Plans may offer a $0 premium. Some HMO plans may require an addition premium. You are still responsible for the Part B premium.

Deductible and Other Costs: Some plans may have a health or prescription drug deductible. HMO Plans typically offer lower copays and out-of-pocket limit, $3,900—$8,850 in 2026.

What is a Preferred Provider Organization (PPO) Plan?

PPO

Coverage: A PPO plan will have a network of doctors, other health care providers, and hospitals. You pay less if you use providers that belong to the plan's network. You can also use out-of-network providers for covered services, usually for a higher cost, if the provider agrees to treat you. Emergency and urgent care is always covered. Most plans offer coverage of prescription drugs.

Premium Cost: Plans may offer a $0 premium. Some PPO plans may require an additional premium. You are still responsible for the Part B premium.

Deductible and Other Costs: Some plans may have a health or prescription drug deductible. PPO plans typically offer lower copays and out-of-pocket limits if you use the plan's network, $2,500—$9,250 in 2026. Using providers outside of the plan's network may result in higher copays and out-of-pocket limit, up to $13,900 in 2026.

Think about your personal needs.

Medicare Advantage plans may offer coverage for things Original Medicare doesn't cover, like fitness programs and some hearing, vision, and dental services. Plans can also choose to cover even more benefits, like coverage for transportation to doctor visits, over-the-counter drugs, and services that promote your health and wellness. Check with the plan before you enroll to see what benefits are offered, if you might qualify, and if there are any limitations.

What is a Special Needs Plan?

SNP

Coverage: A Special Needs Plan (SNP) is a type of specialized Medicare Advantage plan that provides benefits for people with specific severe and chronic health conditions (C-SNP), those who are dual-eligible for Medicare and Medicaid (D-SNP), or individuals in long-term care (I-SNP). These plans provide coordinated services and tailor their benefits, provider choices, and list of covered drugs to best meet the specific needs of the groups they serve. Plans will be either a HMO or PPO and may also cover extra services for the special groups they serve.

Premium Cost: Plans may offer a $0 premium. Some SNP plans may require an addition premium. You are still responsible for the Part B premium.

Deductible and Other Costs: Some plans may have a health or prescription drug deductible. You may pay a copay for each services or item. SNP HMO plans have a limit between $2,750—9,350 and SNP PPO plans have a limit between $4,400—9,250 in-network and up to $13,900 out-of-network, in 2026.

What is a Cost Plan?

COST

Coverage: Medicare Cost plans are a type of Medicare health plan with a network of doctors, other health care providers, and hospitals. Plans are available in certain, limited areas of the state. In general, you can join even if you only have Part B. If you have Part A and Part B and go to a non-network provider, Original Medicare covers the services. You'll pay the Part A and Part B coinsurance and deductibles. In Nebraska, Cost plans do not provide prescription drug coverage, so you may need to join a separate Medicare Part D, prescription drug plan.

Premium Cost: Cost plans may offer a $0 premium. Some Cost plans may require an additional monthly premium. You are still responsible for the Part B premium.

Deductible and Other Costs: Cost plans may include a deductible and may require a copay for each service or item. Plans in Nebraska have an out-of-pocket limit of $4,200—$6,750, in 2026. If you get services outside of the plan's network, Original Medicare will cover the service and you will owe the Part A or Part B cost share.

When can I get a Medicare Advantage Plan?

You can join a Medicare Advantage Plan when you first begin Medicare. If you work past age 65 and delay Medicare, you can choose a Medicare Advantage Plan when you retire.

Medicare Advantage plans are a one year commitment. Each year the plan can change costs and coverage. Since the plan can change its benefits you also get the chance to make changes. Every year, between October 15 and December 7, you get the opportunity to review Medicare Advantage Plan options. If you enroll in a new plan during this period, it will take effect January 1 of the following year.

Additionally, you also have a second open enrollment period, available only to those currently enrolled in an Advantage Plan, beginning January 1 and ending March 31 of each year. Changes made during this period will be effective the first of the next month.

Is there anything else to consider when choosing a Medicare Advantage Plan?

Provider Choice: Medicare Advantage plans are sold by private insurance companies and are structured as a network. This means that you must see doctors and other healthcare providers that accept that particular insurance plan. Prior to enrolling, be sure to check with the Advantage Plan to ensure that your providers are in the plan's network.

NOTE: Supplements that work with Original Medicare, are an alternative option to Medicare Advantage. You should never have both a Medicare Supplement and a Medicare Advantage Plan. The two options do not work together. Choose the option that best meets your needs.

Do the Extra Benefits Have Limitations?

Medicare Advantage plans may provide coverage for things Original Medicare doesn't cover. Each plan will determine what these extra benefits are and what limitations will exist. For example, plans that offer a vision benefit in Nebraska will have an allowance between $100 - $350, in 2026. Cost beyond the limit is your responsibility. You can learn more by reading the plan's Evidence of Coverage, which gives details about what the plan covers, how much you pay, and more.

How do I sign up for a Medicare Advantage Plan?

Contact the Nebraska SHIP for a comparison of Medicare Advantage Plan options in your area. Once you have selected a plan, SHIP can assist you in enrolling. You can also enroll yourself on Medicare.gov or work with a local agent or broker.

1-800-234-7119 - www.doi.nebraska.gov/ship-smp

NEBRASKA SHIP Navigating Medicare

SHIP State Health Insurance Assistance Program

This project was supported, in part by grant number 90SAPG0121, from the U.S. Administration for Community Living, Department of Health and Human Services, Washington, D.C. 20211.

Neither the SHIP nor the Nebraska Department of Insurance endorses any specific agent, company, product or plan of insurance.