

Medicare Cost Plans--What are they?

A Medicare Cost Plan is a type of Medicare health plan that was introduced to Nebraska in 2019. These plans have rules similar to Medicare Advantage Plans but the coverage provided by a Cost Plan works in addition to your Original Medicare coverage. You continue to be covered by Original Medicare benefits when needed but you will see costs comparable to a Medicare Supplement when you use the plan's network.

Some Cost Plans offer extra benefits not provided by Original Medicare such as dental benefits. Cost Plan members have access to a network of providers and hospitals, but also have the option of receiving Medicare-covered services outside of the plan's network. Members who choose to go to an in-network provider, will have a lower copay for the visit. With some plans, there will be no cost. If a member chooses a provider who is not in the plan's network, the individual would be responsible for Part A and Part B coinsurance and deductibles. This would equal 20% for doctors' visits or \$1,408 for an inpatient hospital stay.

Cost Plans are available by county, meaning there are some locations that do not have this option. You can enroll into a Cost Plan anytime a plan is accepting new members and you may leave anytime to return to Original Medicare. Leaving a Cost plan does not guarantee you would be able to enroll in a Medicare Supplement, Medicare Advantage Plan or Prescription Drug Plan at that time.

Cost Plans may or may not offer drug coverage. Cost Plan members are able to decide if they want to get their Medicare prescription drug coverage from the plan, if it is offered, or they may enroll into a Part D prescription drug plan.

Cost Plans may be an attractive option if you are seeking a way to control healthcare costs. If you have Original Medicare with a supplement and your premiums are increasing to a point that it is no longer affordable, a Cost Plan could be an option. When making this decision, it is important to understand the unique rules and coverage that accompanies Medicare Cost Plans.

If you would like to learn more about Medicare Cost Plans or your other Medicare options, contact Nebraska SHIP. SHIP, a division of the Nebraska Department of Insurance, provides local help for Nebraskans with Medicare, and can be reached at 1.800.234.7119.