What is Medicare Advantage?

Medicare Advantage (formerly known as Medicare+Choice) permits contracts between the Centers for Medicare & Medicaid Services (CMS) and a variety of different private managed care and fee-for-service entities. Most Medicare beneficiaries may choose to receive benefits either through the original Medicare fee-for-service program [Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance)]. Main types of Medicare Advantage plans include:

* coordinated care plans, including Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and Provider-Sponsored Organizations (PSOs), and
* private fee-for-service plans which reimburse providers on a fee-for-service basis.