COMMERCE DEPARTMENT

Understanding Your Medicare Options in Minnesota

Medicare, Medicare Advantage, and Medicare Supplement Plans at a Glance

Choosing the right Medicare coverage can feel overwhelming, especially with different types of plans offering different benefits. Generally speaking, most people become eligible for Medicare around their 65th birthday. Some people may qualify earlier for Medicare due to disability or certain health conditions. It is important for people to learn about Original Medicare and supplemental coverage options. The key supplemental coverage options to Original Medicare are Medicare Advantage and Medicare supplement (sometimes referred to as Medigap) plans. These plans work differently than Original Medicare, and Minnesota's Medicare supplement plans have some unique features compared to other states.

Original Medicare (Parts A & B) is government-run and covers the costs associated with being admitted to a hospital or certain other care facilities and several types of outpatient care like doctor visits and preventive services, but it does not cover everything. Things like dental, vision, hearing, prescription drugs, and care received outside the U.S. are not covered. In addition, there is no cap on out-of-pocket costs for covered services.

Medicare Advantage plans (Part C) are offered by private insurers as an alternative to Original Medicare. These plans often include extra benefits like dental, vision, hearing, and drug coverage, but you may have to use in-network providers and get prior approval for services. These plans have a yearly limit on out-of-pocket costs.

Medicare Prescription Drug plans (Part D) are offered by private insurers to individuals enrolled in Medicare Part A or B as a standalone plan or combined with a Medicare Advantage plan. Medicare Prescription Drug plans can help pay for brand name and generic prescription drugs, which are not typically covered by Medicare Parts A or B. Each plan has a formulary of covered prescription drugs. In 2025, there is a $2,000 cap on out-of-pocket costs for prescription drugs.

Medicare supplement (Medigap) plans are offered by private insurers as an addition to Original Medicare. Medicare supplement plans in Minnesota differ from those in many other states. Plans are standardized—mainly the Basic and Extended Basic plans—and are "community-rated," which means that everyone on the same plan pays the same premium regardless of age. These plans help cover out-of-pocket costs from Original Medicare (e.g., coinsurance, copayments) and let you see any provider that accepts Medicare. They do not include benefits like dental, vision, hearing, or drug coverage, so separate plans may be needed if you want this coverage.

Contact information for Aging Pathways: (800) 333-2433
aging.pathways@state.mn.us | Aging Pathways Website

Contact information for CMS:
Medicare Service Center: 800-MEDICARE (800-633-4227)
Medicare Service Center TTY: 877-486-2048
Original Medicare (Part A and B) Eligibility and Enrollment | Health Plans - General Information

This chart further outlines differences among plan types:

Medicare Plan Comparison: Minnesota

Feature	Original Medicare (Parts A and B)	Medicare Advantage (Part C)	Medicare Supplement (Medigap)
Who Provides It?	Federal government	Private insurance companies (approved by Medicare)	Private insurance companies (regulated by MN Dept. of Commerce)
Eligibility Age	Typically age 65 (or earlier with disability)	Must be eligible and enrolled in Original Medicare (Parts A & B) to enroll	Must be eligible and enrolled in Original Medicare (Parts A & B) to enroll
What's Covered	Hospital (Part A) and outpatient care (Part B)	Same as Original Medicare	Same as Original Medicare plus coverage for some out-of-pocket costs (deductibles, co-pays, coinsurance)
Extra Benefits (e.g., dental, vision, hearing)	No	Often includes dental, vision, and hearing	No (dental, vision, drug coverage must be purchased separately)
Prescription Drugs	Not included	Often included	Not included
Travel Outside U.S.	Not covered	Not covered	Partial coverage with certain plans (e.g., Basic and Extended Basic)
Premiums	Part A: Usually free; Part B: Monthly premium	Often lower or $0 premium (but includes cost-sharing when you get care)	Higher monthly premiums (in addition to Part B premium)
Out-of-Pocket Costs	No annual limit; you pay 20% for most services	Annual out-of-pocket max (varies by plan)	Very low out-of-pocket costs
Prior Authorization?	Rarely required	Often required for many services	Rarely required
Provider Choice	Any provider that accepts Medicare	Must use in-network providers (except for emergencies)	Any provider that accepts Medicare
Standardization (MN)	n/a	Varies by insurer and plan	Minnesota has its own, unique standard plan variants. The most popular variants are Basic and Extended Basic
Premium Rating (MN)	n/a	Varies by age, location, plan	Community-rated (same premium regardless of age/gender) in MN
Regulated By	CMS (Centers for Medicare & Medicaid Services)	CMS	Minnesota Department of Commerce

If you have questions about the Medicare options available to you, please contact Minnesota Aging Pathways, CMS, your current insurance carrier, or an insurance agent.