



Hospital Indemnity + Medicare Advantage – How They Work Together

Medicare Advantage covers hospital and medical care, but you can still owe plan copays and coinsurance for inpatient stays. Hospital indemnity pays you a cash benefit when you're admitted — money you can use for those gaps.

What Each One Does

- Medicare Advantage — pays hospitals and doctors under the plan's rules; you still may owe a daily or stay copay
- Hospital indemnity — pays a fixed cash amount to you when you're admitted for a covered hospital stay
- The cash is yours — use it for Advantage copays, travel, lost income, help at home, or anything else
- They are not the same product; one is your medical plan, the other is supplemental cash protection

Why People Pair Them

- Advantage plans often charge a per-day or per-stay hospital copay that can add up quickly
- A short stay might mean a modest bill; a longer stay can mean a much larger out-of-pocket hit
- Indemnity cash can offset those copays so your savings aren't drained by one admission
- You're not limited to medical bills — the benefit can help with everyday costs while you recover

Simple Example

- Your Advantage plan charges \$350 per day for days 1–5 of a hospital stay
- A 4-day stay could mean \$1,400 in plan cost-sharing — before any other bills
- A hospital indemnity benefit paid to you can help cover that amount (or other recovery costs)

IMPORTANT – Supplemental, Not a Replacement

- Hospital indemnity does not replace Medicare Advantage or Original Medicare.
- Benefits, waiting periods, and definitions of "hospital stay" vary by policy — always review the outline of coverage.
- It pays for covered admissions under the policy; it is not disability income or long-term care insurance.

Simple Action Steps

1. Know your Advantage plan's hospital copay (per day and any max).
2. Ask how a hospital indemnity benefit is paid (per day, per stay, or both).
3. Compare the cash benefit to the copays you could face on a typical stay.
4. Review waiting periods and what counts as a covered admission.
5. Call HUGS — we'll line up your Advantage cost-sharing with a fitting indemnity option.

HOW HUGS CAN HELP

We review your Medicare Advantage hospital cost-sharing and show how a hospital indemnity benefit can help cover the gaps — so one admission doesn't wipe out your budget. At HUGS we have no greater joy than to hear that our clients are walking with confidence.