



## Chapter 20 Government Health Programs

### Medicare – Eligible

- at age 65, or
- Chronic Kidney disease, or
- receiving S.S. benefits

### Part A: Compulsory – paid for with FICA taxes from paycheck

- In-Patient Hospitalization (semi-private room, nursing)
- Post-Hospital Skilled Nursing Facility Care (accredited)
  - Must have been hospitalized for three consecutive days
  - 100 days – 1<sup>st</sup> 20 days covered in full
- Post-Hospital home health services (nursing care, therapy, part-time health aides)
  - 20 days
  - Intermediate or physical care
  - Occupational or speech therapy
- Hospice – death expected with-in 210 days (7 months)
- In-patient psychiatric care
- 90 day benefit period (60 days plus 30 days)
- Deductible due at beginning of benefit period
- Insured pays daily amount for days 61 - 90
- 60 Lifetime reserve days (insured must pay even higher daily amount)

### Part B: Voluntary

- Deductible
- Co-insurance – 80/20
- Premium required
- Physicians & surgeons services
- X-rays, diagnostic lab tests
- Ambulance
- Medical equipment rental
- Physical & occupational therapy

### **Medicare exclusions**

- Private duty nursing
- Private hospital rooms
- 1<sup>st</sup> three pints of blood
- Skilled nursing care after 100 days
- Physician's services not approved by Medicare
- Care outside of the U.S.
- Custodial Care
- Well care (eyesight, hearing, dental, routine physical exams)

### **Part C – Medicare Advantage**

- Must first be enrolled in Parts A & B
- These "bundled" plans include Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance), and usually Medicare drug coverage (Part D).
- Medicare pays a fixed amount for care each month to companies offering Medicare Advantage Plans. These companies must follow rules set by Medicare.
- Can choose an HMO, PPO, POS, etc.
- Many Medicare Advantage Plans have a \$0 premium. If you enroll in a plan that does charge a premium, you pay this in addition to the Part B premium

### **Part D – Prescription Drugs**

- Premium required
- Deductible
- Co-Insurance 75/25
- Private Plans
- 1% late enrollment penalty

### **Medicaid**

- State administered
- Funded by states & feds
- "Means tested"; must prove income/assets below a certain amount
- May be used to pay costs of Medicare
- Goal is to offer medical assistance

### **Medicaid Nursing Home**

- Must be age 65 or blind, or disabled
- U.S. citizen or permanent resident alien
- Meet asset/income requirements...must be almost broke for Medicaid to pay nursing home