



Care Partner Information

Tips for Providing Older Adult Care

Understanding Medicare

Medicare is a national health insurance program for U.S. residents. Most people can sign up for the program if they:

- Are 65 years or older and have worked and paid taxes in the U.S. for at least 10 years, or
- Have been receiving Social Security Disability Insurance (SSDI) for at least 2 years, or
- Have end stage kidney disease at any age

Like most health insurance, Medicare has three types of costs, described in the box below.

Premium	The monthly or annual fee (cost) to have health insurance.
Deductible	A set amount that must be paid by the patient “out of pocket” each year before insurance will pay for health care costs.
Copay, Coinsurance	<u>Payments that the patient must pay after the deductible is paid.</u> Copay is the name of the payment for either a visit, or for a product. Coinsurance is the name of the payment that is the percentage of total care costs.

Medicare also has different plans or “parts” that pay for different health care costs. Each part of Medicare has different costs for the patient. Parts A and B are called “Original Medicare.” Part C is called a “Medicare Advantage Plan.”

Patients must know what Medicare parts or plans they have, and what types of care it covers. Patients also need to know if the doctor or hospital accepts the insurance plan. If the plan is not accepted, the insurance will pay nothing. It is important to review insurance plans carefully to know when insurance will pay for treatment, and when it will not.

It is up to each person to pick either “Original Medicare” or a “Medicare Advantage Plan”. On the next page are some examples of the types of care and costs that come with each part.

Medicare can be confusing. Personal help is available.

Each state has a State Health Insurance Assistance Program (SHIP) that can provide free counseling on Medicare coverage and help with claims and appeals. To find the local SHIP call the Medicare number, **1-800-medicare**, or visit **www.medicare.gov**.

This Care Partner Information page is part of a series on older adult caregiving tips. They are written to help family and community caregivers, direct care workers and community health representatives care for older adults. Available in English and Spanish at www.aging.arizona.edu

Medicare Part A. (hospital insurance)

For most people, Part A has no premium, or yearly fee. Part A helps with:

- **Hospital care.** Free for 60 days after paying a yearly deductible.
- **Nursing home care** after a hospital stay is free for 20 days after paying the yearly deductible. After 20 days the patient pays a fee for each day. After 100 days the patient pays all the costs of care.
- **Home health care.** Care is free if ordered by a doctor and not needed 24-hours a day.
- **Hospice.** Hospice care is free. Patients may be charged a copay for prescription drugs.

Medicare Part B. (medical insurance)

Part B has a yearly fee that is taken out of the person's social security check. It helps with:

- **Doctor fees, lab tests, x-rays.** Most preventive care is free. For other care, patients pay 20% of the cost, after paying the yearly deductible.
- **Medical supplies.** Patients pay 20% of the cost, after paying the yearly deductible.

Medicare Part C: Medicare Advantage Plan

These plans cost less than original Medicare, but patients can only go to certain doctors and hospitals in the area. The plans are sold by private insurance companies and are different in each state. Most help pay for hospital care, nursing home care, doctors fees, prescription medications and hospice care. Some also help with dental, vision, hearing, or care that promotes health, such as gym memberships.

Medicare Part D: (prescription drug insurance)

Anyone who has "original Medicare" (parts A and B) must buy part D in order to have insurance help pay for prescription drugs. These plans have a monthly premium and a copay for each prescription. People with Medicare Advantage Plans (Part C) don't need to buy Part D.

Other health insurance:

Medigap is a second insurance that a patient can buy to help pay for their portion of health care costs, such as deductibles and coinsurance. Medigap is for those who buy parts A, B and D. Patients with Medicare Advantage Plans (Part C) can't buy Medigap plans.

Long-Term Care Insurance is sold by private companies. It can help pay the costs of long-term nursing home care, which Medicare will not pay.

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