

MEDICARE AND MEDICAID



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- Federal government programs
- Share ‘payer’ status with private insurance companies
- Maintained by the Center for Medicare and Medicaid Services (CMS)

MEDICARE

- Grants coverage to persons **65 years or older**, so long as are registered with **Social Security**
- Also grants coverage to persons with **end-stage renal failure** and **ALS** (Lou Gehrig's Disease)
- Divided into **four parts**

MEDICARE, PART A

- Mostly confined to **inpatient services** (like hospital stays)
- Also covers stays of up to **90 days in a nursing facility**
- Has **restrictions/penalties** for readmission for same procedure or service
 - This restriction was created to ensure a higher quality of care from providers

MEDICARE, PART B

- **Covers services not provided by Part A**
 - Including physician services, X-rays, certain kinds of nursing care, durable medical equipment (DME) like walkers or wheelchairs
- Part A and Part B make up what's known as **Original Medicare**
- Part B of Medicare may be deferred if the person receiving benefits is still working

MEDICARE, PART C

- Also known as the Medicare Advantage
- Allows subscribers to receive the entirety of their coverage from a private payer
 - Essentially, the government pays for their health insurance
- No claims are filed to Medicare under a Medicare Part C plan
- Often comes with Part D

MEDICARE, PART D

- Instituted after Medicare Prescription Drug, Improvement, and Modernization Act of 2003
- Provides coverage for prescription drug costs during healthcare
- Patients must actively enroll in Part D in order to receive Part D benefits
 - i.e., they must pay monthly premiums

MEDICAID

- Joint state and federal program
- Provides coverage to low-income individuals and families, disabled individuals, and certain elderly individuals
- Each state has its own version of Medicaid
 - It is *not universal*, like Medicare
 - Regulations and restrictions vary by state, but each program has to meet certain minimum standards

BASIC MEDICAID SERVICES

- Every state's Medicaid program must cover the following services:
 - Family planning care
 - Prescription drug costs
 - Inpatient/outpatient hospital services
 - Pediatric services
 - Mental health care
 - Occupational, speech, and physical therapy
 - Dental healthcare and related service

MEDICAID ELIGIBILITY

- The common baseline criteria for Medicaid eligibility are:
 - Adults with children earning less than a certain income level (varies by state and number of children)
 - Individuals earning up to 133% of the poverty line (this provision is part of the Affordable Care Act, and will go into effect in January of 2014)
 - Individuals who earn slightly more than the minimum threshold may still qualify for Medicaid if they pay an additional premium
 - Individuals suffering from chronic disabilities
 - Individuals who receive Social Security benefits may also qualify for Medicaid

TYPES OF COVERAGE UNDER MEDICAID

- Medicaid offers versions of **Managed Care** and fee-for-service
 - Unlike Medicare, the majority of Medicaid subscribers are enrolled in some sort of managed care program
 - Younger Medicaid recipients are more likely to use the managed care option
 - Poorer elderly individuals are more likely to use the fee-for-service option