



## What is Medicare?

The Medicare program, funded by workers' and employers' contributions and premiums paid by participants, is the principal source of insurance coverage for most Americans over age 65 as well as for Americans receiving Social Security Disability benefits. Medicare is divided into Part A, Part B, Part C, and Part D. People who are receiving Social Security or Railroad retirement benefits at age 65 automatically receive Medicare Part A. Others, including those who will not receive full Social Security retirement benefits until after age 65, must apply for Medicare through their Social Security office.

### About the National Academy of Elder Law Attorneys (NAELA)

NAELA, founded in 1987, is a national association of Elder Law Attorneys devoted to the education and training of attorneys who can meet the needs of seniors and people with disabilities, and who advocate for the needs of such individuals.

While NAELA Elder Law attorneys work one-on-one with clients in their local areas, NAELA also examines and advocates on national public policy issues facing seniors in America including long-term health care; planning for retirement; estate planning and probate; guardianship and conservatorship; health care decision making; and elder abuse and neglect.

This informational brochure is provided as a public service and is not intended as legal advice. Such advice should be obtained from a qualified Elder Law attorney.

More information on NAELA and a directory of NAELA members in your area can be found at [www.NAELA.org](http://www.NAELA.org).

© Copyright 2007

National Academy of Elder Law Attorneys, Inc.™  
[www.NAELA.org](http://www.NAELA.org) • 703-942-5711



1217 Ponce de Leon Blvd, Clearwater FL 33756

(727) 586-4224

[www.parrilaw.com](http://www.parrilaw.com)



# Medicare



National Academy of  
Elder Law Attorneys, Inc.

*Leading the Way in  
Special Needs and Elder Law<sup>SM</sup>*

Special Needs & Elder Law Series





### What You Need to Know

Medicare Part A, which requires no premium contributions by beneficiaries (who have paid into the Medicare system during their working years), covers hospitalization, home health care, and limited nursing home care. Part A also covers hospice care for terminally ill beneficiaries. Beneficiaries pay a deductible for hospital care. They also may be required to pay some cost sharing for extended hospital stays and for skilled nursing home care after the 20th day. There are no deductibles or other cost sharing for home health and hospice care. Because Medicare coverage of skilled nursing home care is limited to 100 days, beneficiaries often need to turn to other sources for payment, including Medicaid and long-term care insurance.

Medicare Part B covers doctors' visits, durable medical equipment, home health care, lab tests, and some preventive services such as flu shots. Medicare Part B generally pays 80 percent of approved expenses deemed as "covered expenses." Beneficiaries are responsible for the remaining 20 percent, together with any uncovered expenses and an annual deductible that increases every year. There is no cost sharing for home health and some preventive benefits.

Part B is optional for beneficiaries, who must pay a monthly premium for the coverage. The Part B premium is usually withheld from participants' Social Security checks. Starting in 2007, beneficiaries with greater incomes will pay higher premiums for Part B.

Many Medicare participants purchase separate insurance to pay the Part A and B deductibles and co-payments. Such policies, usually called "Medigap" or "Medicare supplemental policies", are highly regulated and must conform to model policies established by the National Association of Insurance Commissioners.

Medicare Part C establishes the Medicare Advantage Program as a way to deliver Medicare benefits through private health plans. These plans include Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and Private Fee for Service Plans (PFFS). While some of these plans may provide benefits not covered by Medicare, such as vision care, they may also limit a beneficiary's choice of doctor or hospital. Additionally, beneficiaries who enroll in these plans may pay less out of pocket for doctor's visits, but more for costly services such as home health care or hospital care.

Medicare Part D provides optional out-patient prescription drug coverage. Beneficiaries choose a drug plan and receive assistance with drugs covered by the plan they choose. Premiums, deductibles and other beneficiary cost-sharing vary by plan. Many plans have a gap in coverage during which the beneficiary pays the full cost for drugs until a catastrophic limit is reached.

### Where to Go For Help

The Medicare program maintains a toll-free number for beneficiaries' questions and concerns. Medicare can be reached at 800-633-4227. Medicare also has a web site,

[www.medicare.gov](http://www.medicare.gov), that provides useful information. Beneficiaries also receive a yearly "Medicare & You" handbook.

Area Agencies on Aging, which are located in every local jurisdiction, also provide excellent information about Medicare benefits, Medigap policies, HMOs and other topics. These agencies are listed in the telephone book.

### The Role of the Elder Law Attorney

The Medicare program can be confusing, and mistakes are sometimes made. Beneficiaries have rights to appeal Medicare denials; an experienced Elder Law attorney may be able to assist with such appeals. Because few lawyers are familiar with the Medicare program, it is suggested that one ask a prospective attorney about his or her experience with Medicare beneficiary rights.

