

Medicare. Medicaid. Part D. Supplemental Insurance What You Don't Know

Medicare. Medicaid. Part D. Supplemental Insurance. These are important products to many Americans, but most of us don't really know much about them. If you or a loved one is facing skilled nursing care (i.e., "nursing home care") the details are especially important.

Medicare is a health insurance program administered through the Federal government and paid for via payroll taxes, individual premiums and general revenue funds. It is available to disabled people and to people age 65 and over. Medicare has several "Parts," including Part D, which pays for prescriptions.

Supplemental insurance is private insurance which can be purchased to supplement Medicare coverage. It can "fill the gap" by paying for copays so that there are few or no surprise bills after a hospitalization, for instance.

(For more detailed information about Medicare and supplemental insurance coverage, talk to your insurance professional. This guide is not intended to help you determine exactly what policy you need.)

Medicaid is a Federal program for needy individuals which can pay for medical care, including nursing home care. It is administered by the individual states, which means that the rules may vary a little from state to state.

Many people don't realize until it's too late that their insurance doesn't pay for nursing home care, and neither does Medicare.

Medicaid, however, can pay for nursing home care. When someone receives such assistance, Medicaid also provides other basic medical coverage. It's important to understand, however, that the assistance is limited in some ways. For instance, Medicaid may only pay for so many tests or x-rays per day if you are hospitalized, may only pay for certain medications and not newer ones your doctor prefers and that might better help you. Durable equipment might not be replaced as often as it needs to be.

For these reasons, it is often advisable for people receiving Medicaid assistance with nursing home care to keep their supplemental and Part D plans. If you don't have such plans, it might be advisable to purchase something. It may not cost you anything under the Illinois Medicaid rules. This is because the rules require that your income (with few exceptions) be spent on your care, and "care" includes the insurance premiums. In other words, in many cases, you can't keep most or all of your income, so spending it on insurance which will help you obtain better treatment and quality

of life may be worthwhile. These are issues you should discuss with a qualified Elder Law Attorney.

This article is not intended as legal advice but is provided for informational purposes. Always consult with an attorney experienced in dealing with situations similar to yours. You can visit Frisse & Brewster Law Offices in Paris and Effingham, Illinois and Terre Haute, Indiana. For information about the author, the firm and its free workshops go to www.frissebrewsterlaw.com

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