

## Long-term care insurance

Many people mistakenly believe that Medicare covers long-term care expenses such as nursing home and home health services. In fact, the program only pays short-term benefits for care in a skilled nursing facility and for part-time skilled nursing visits at home. As for Medicaid, it does not generally pay for long-term care at home or for assisted living. As a result, if a person needs extended care outside of a nursing home, the only solution may rest with his or her ability to pay privately. That's where long-term care insurance becomes a consideration.

Long-term care insurance is designed to pay for sudden, large, continuing healthcare expenses, whether care is provided in a nursing home, hospice, at home or elsewhere. Policies are sold through licensed insurance agents and brokers, and paid for from the policyholder's private funds. It's important to note that coverage is not limited to care for the elderly. As such, long-term care insurance may be a consideration for nearly every adult. As you would expect, premiums are considerably higher for older applicants who are at greater risk.

## Be an educated health care consumer

Understand that most government entitlements are NOT automatic. You've got to apply for them and meet all government requirements for coverage. Also, don't assume that you'll be covered for anything that comes along or you could be in for an expensive shock. Always familiarize yourself with the details of your medical coverage, and consider filling any gaps with an established supplementary plan. Consult an attorney or government counselor to help you make sense out of complex requirements or limitations in your coverage.

*At age 68, Joe Sanders was in good health and leading an active life. He never expected to be in a hospital for an extended stay. So when a sudden heart attack on the golf course landed him in the local emergency room, he was surprised to learn that his government health benefits weren't going to see him through the long haul.*

*Unfortunately, like most of us, Joe never bothered to take a close look at his government entitlements and other options before an emergency struck. Had he understood his choices, he might have been better prepared to cope with the financial demands of the long-term care that he now requires. This pamphlet is designed to provide the basic information you'll need to begin your own health care coverage needs.*



## At Your Service

For additional information on government health benefit programs available to seniors and their families, you may want to explore one or more of these valuable resources:

**Social Security Administration**  
1-800-772-1213  
[www.ssa.gov](http://www.ssa.gov)

**US Department of Health and Human Services**  
1-800-MEDICARE (800-633-4227)  
[www.medicare.gov](http://www.medicare.gov)

**Illinois Department on Aging**  
1-800-252-8966  
[www.state.il.us/aging](http://www.state.il.us/aging)

**Long Term Care Ombudsman Program**  
Illinois Department on Aging  
217-785-1566

To order additional complimentary copies of this pamphlet, call **815-964-2200**.

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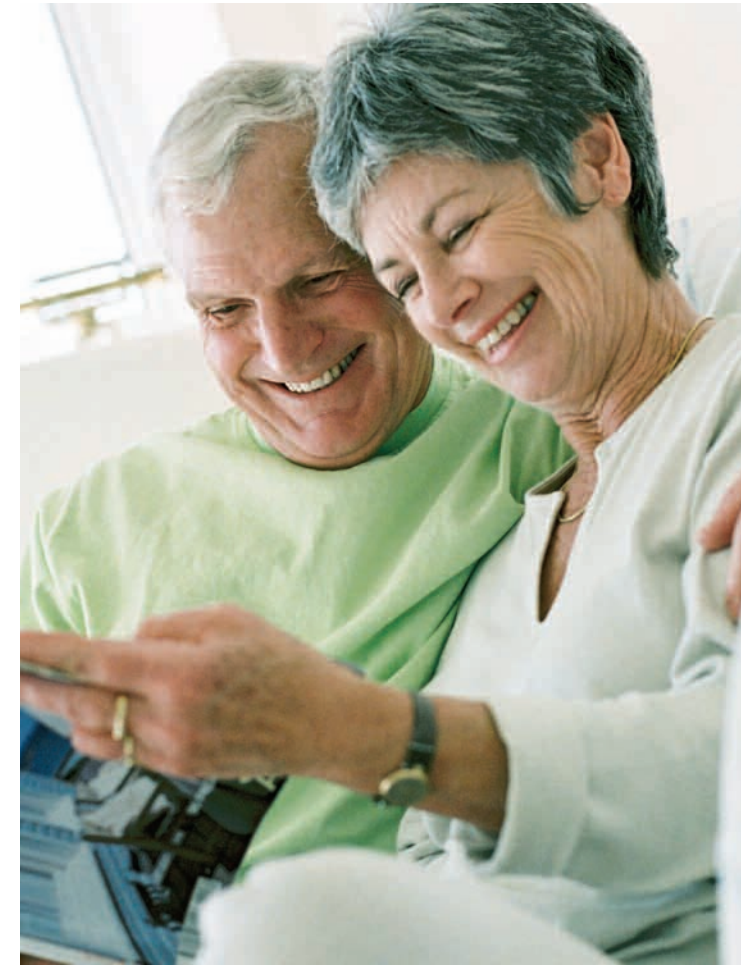
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## Understanding Senior Health Benefit Programs

*A guide to Medicare, Medicaid and other insurance options*



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## Medicare Part A & B: Benefits For Your Retirement Years

Medicare is a two-part program underwritten by the U.S. Department of Health and Human Services that provides basic hospitalization and medical coverage for people age 65 and over. It also serves people under the age of 65 with certain disabilities. For example, if you have permanent kidney failure that is being treated with dialysis or a transplant, or have been receiving Social Security or Railroad Retirement disability checks for at least 24 months, you are eligible for Medicare, even if you're under age 65. Medicare Part A provides automatic hospital coverage, as long as you have worked at least 10 years in Medicare-covered employment. Part B helps cover medical and doctors' bills, and helps pay for rental or purchase of necessary medical equipment such as prostheses, wheelchairs and post-surgical supplies. If you qualify for Medicare and have a non-working spouse, he or she can also get Medicare Parts A and B at age 65.



While Part A is yours free of charge, Part B is considered elective coverage and requires monthly contributions from you. There are also several health care options available to Medicare beneficiaries, which come under the label of Medical Advantage. Most people receive a Medicare Enrollment Package just prior to reaching their 65th birthday. At that point, they may choose whether or not to opt for Medicare Part B benefits and pay the required premiums for that coverage. If you have reached the age of 65 and have NOT received a Medicare Enrollment Package, you must call your local Social Security Office in order to determine your eligibility.

## Medicare Part D Cost-effective prescription drug benefits

First offered in 2006, Medicare Part D is a prescription drug coverage program available to all Medicare beneficiaries. Under the program, most people who qualify pay reduced or no premiums and deductibles, and lower copayments for their medications, depending on their incomes and circumstances. Since private health insurance companies administer the program, monthly costs and coverage will also vary according to the company and plan you choose, as well as your state of residence. Premiums are in addition to the Part A and/or Part B premiums you may already be paying.

If you are currently taking prescription medication or think you may in the future, you should explore your Part D options. Contact Social Security at 800-772-1213 ([www.ssa.gov](http://www.ssa.gov)) or Centers for Medicare and Medicaid Services at 877-267-2323 ([www.cms.hhs.gov](http://www.cms.hhs.gov)).

## Medicare Advantage plans Versatile managed care options

Approved by Medicare, and run by private insurance companies, Medicare Advantage Plans are sometimes called "Part C." Managed care plans, like HMOs and PPOs, they require that you use the doctors, hospitals and other health care providers who participate in the plans' networks in return for more comprehensive coverage. In addition to all Part A and Part B benefits, Advantage plans typically offer extra benefits such as vision, hearing, dental and/or wellness programs. Most also offer Medicare prescription drug coverage options. Plans can charge different copayments, coinsurance and deductibles, so it's important to check with any plan you're considering before joining.

## Medicaid Benefits for low income households

Medicaid is a combined federal-state program usually operated by state welfare or health departments and designed to furnish several basic services to low-income individuals. These include inpatient and outpatient

hospital care, physicians' services, nursing home care and laboratory and x-ray services. Under financial hardship, Medicaid may also be used to pay your Medicare premiums, deductibles and coinsurance.

## MediGap policies Benefits that take over where Medicare leaves off

MediGap insurance refers to any one of the many supplemental policies that can be purchased from private insurance carriers. Plans cover costs Original Medicare doesn't pay, either all or in part. Such costs may include excess deductible and/or coinsurance amounts, prescription drugs, dental care, hearing aids or vision care. For a complete list of recognized MediGap providers, consult your State Office for the Aging.



## Choosing post-hospital care

If you are covered by Medicare and require a period of rehabilitation or sub-acute care following a hospital stay, you may be surprised to learn that you have considerable choice about where you can receive such care. Although many patients believe they are obligated to follow the suggestion of their discharge planner or risk losing coverage, this is not the case. Medicare is accepted by many providers, which gives you a broad range of options to select from, without jeopardizing your coverage. As a result, you can generally choose to have post-hospital care in a variety of settings, including:

- ▶ A skilled nursing facility offering rehab services
- ▶ A specialty care or sub-acute care center
- ▶ An out-patient rehab facility
- ▶ Home care by a visiting therapist

To determine the full extent of your Medicare coverage and the options available, call 1-800-MEDICARE (1-800-633-4227) or visit [www.medicare.gov](http://www.medicare.gov) on the Web.

Of course, individual needs, capabilities and limitations vary greatly and will largely determine the environment that is safest, most appropriate and will be most effective in producing best possible rehab results. This decision is one

that should only be made after careful consideration. This is particularly important for the elderly, or those with complex medical conditions, who require a range of integrated clinical, therapeutic and support services, with

careful monitoring by experienced staff. If, or when, the time comes, discuss all available options with your hospital discharge planner as well as your personal physician before deciding.

