

A Simple Guide to Medicare and Medicaid

Understanding the differences between **Medicare** and **Medicaid** can be hard—even for healthcare workers. Here are some helpful facts:

Medicare is a federally funded program. It helps protect the disabled and people in retirement. It has four main "Parts". Parts A & B are considered Original or Fee-For-Service. Part C is provided by Medicare Advantage Health Plans.

- **Part A** - Hospital insurance
- **Part B** - Coverage for medical care that is not part of a hospital stay
- **Part C** - Coverage that takes the place of Part A, Part B, and sometimes Part D.
- **Part D** - Optional prescription drug benefit

Medicare is the largest government healthcare program for people 65 and over.

Medicaid is a program states can choose to offer to its residents. Funding is shared by the state and the federal government. It was originally for:

- Families with dependent children under 18 (or who cannot take care of themselves)
- Seniors
- People with disabilities

Laws have changed over the years. Now, many more low-income children, parents, pregnant women, and adults (in Medicaid expansion states) qualify.

Medicaid is the largest government healthcare program overall.

Some people get both **Medicare** and **Medicaid**. They are known as **dual eligible**, **duals**, or **Medi-Medi**. Medicare would pay benefits first. Then, Medicaid would pay for some benefits not covered by Medicare.

The chart below shows the basic differences between Medicare and Medicaid.

MEDICARE		MEDICAID
Those who meet age or disability requirements, regardless of income	WHO IS ELIGIBLE?	Those who meet income requirements, regardless of age.
Premiums are set at the federal level. There are annual deductibles and co-insurance amounts.	HOW MUCH DOES IT COST?	Typically free; some states charge small fees for certain services.
Medically necessary medical services and hospital care, certain medical equipment, and prescription drugs (under Part D).	WHAT IS COVERED?	Basic health care and prescription drug costs, long-term care, medical equipment, and other related health services.

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