

MEDICARE BENEFITS -- 2004

The Medicare program consists of two parts: Hospital Insurance Benefits (Part A) and Medical Insurance Benefits (Part B). Hospital insurance basically covers services such as hospitals, nursing homes, home health agencies, and hospices. Medical insurance covers doctors' services, outpatient services, and medical supplies.

Days 1 - 60 of Hospitalization

For the first 60 days in any benefit period, **Medicare** pays almost all of your ZLUH inpatient acute care, rehabilitation or psychiatric hospital costs except the first \$876 (the deductible), the first three units of blood, and any take-home drugs. Doctors' services to you are usually not covered under the hospital insurance part of Medicare.

Days 61 - 90 of Hospitalization -- Co-insurance Days

You (or your insurance company) are responsible for a charge of \$219 per day for the 61st through 90th days of hospitalization.

Meaning of "benefit period":

Generally, the limitations on hospital services and nursing home care are figured for a "benefit period," although the technical name is "spell of illness." A "benefit period" begins with the first day on which you are entitled to Medicare and are furnished inpatient hospital or nursing home services, if this day was not in a previous "benefit period." A benefit period ends when you have been out of a hospital and out of a skilled nursing facility (Medicare bed) for 60 consecutive days.

You have to pay the \$876 deductible for each benefit period. There is no limit to the number of benefit periods.

If you are not hospitalized for at least 60 days after you are discharged from a hospital or nursing home, then you enter a new benefit period and are entitled to another 90 days of hospital care.

Lifetime Reserve Days

In addition to the above, you have a lifetime reserve of 60 days of hospital care after you exhaust the 90 days to which you are entitled during a benefit period.

You (or your insurance company) are responsible for a charge of \$438 per day for each of these lifetime reserve days used in 2004.

Once you use the first 90 days of eligibility in a benefit period and then stay out of a hospital or nursing home (Medicare bed) for 60 days, then the 90 days of eligibility are replenished. Once you use the 60 lifetime reserve days, however, they are not renewed.

Skilled Nursing

For the first 20 days of skilled nursing care in any benefit period, Medicare pays almost all of your skilled nursing costs. You will be responsible for the \$876.00 deductible if it has not been met in the benefit period.

You (or your insurance company) are responsible for a charge of \$109.50 per day for the 21st through 100th days of care on a skilled nursing unit.

Part B Annual Deductible \$100.00