

## Medicare and Long-Term Care — Don't Be Caught Unprepared

How will you pay for long-term care (LTC) should you ever need it? Many people have a ready answer to this—“Why, using Medicare, of course!”— but in reality Medicare doesn't pay for most LTC services.

According to the 2006 AARP report, *Costs of Long-Term Care: Public Perception Versus Reality in 2006*, many people believe LTC is covered by public programs, when it may not be covered; for example, of the survey respondents:

- 52 percent incorrectly believe Medicare covers assisted living
- 59 percent incorrectly believe Medicare covers nursing home stays beyond three months (100 days) for age-related or other chronic conditions

“It is important that Americans become more informed about the costs, funding sources, options, and state and community resources available so they can make informed choices,” says Linda Barrett, the report's author.

**What types of LTC will Medicare cover?** Most LTC needs are “custodial” in nature — a person needs help to perform activities of daily living (ADL) such as getting around, getting dressed, bathing or eating. Typically, home health agencies provide this assistance for a fee.

- ***Custodial LTC:*** Medicare covers only some in-home custodial services such as bathing *if* you are also receiving *skilled* nursing or rehabilitation services at home such as physical, speech, and occupational therapy (home health care) to treat an illness or injury. (Furthermore, for Medicare to pay for these skilled services: a doctor must prescribe a plan for your in-home care; you must require at least one of the skilled services on a part-time or intermittent basis; Medicare must approve the home health care agency; and you must be homebound.)
- ***LTC outside the home:*** Medicare does not pay for care received in an assisted living facility. Medicare (Part A) pays for up to 100 days of inpatient care in a Medicare-participating skilled nursing facility (SNF) as long as you are showing signs of improvement, *and* if other conditions are met, these being the top ones:
  - You have Medicare Part A (hospital insurance) and have days left in your benefit period to use.
  - You have a qualifying hospital stay. This means an inpatient hospital stay of three consecutive days or more, not including the day you leave the hospital. You must enter the SNF within a short time (generally 30 days) of leaving the hospital and require skilled services related to your hospital stay.

- Your doctor decides that you need daily skilled care. It must be given by, or under the direct supervision of, skilled nursing or rehabilitation staff.

Medicare pays for the first 20 days of qualified care in a SNF at 100 percent; then for days 21 – 100 in the SNF, Medicare covers all but a daily coinsurance amount. The daily coinsurance amount typically rises each year, so you should consult Medicare for individual situations. After 100 days, Medicare coverage ends, unless you start a new benefit period.

Remember, Medicare is a complex subject and counting solely on Medicare for LTC is rarely a good planning tool. There are lots of options for LTC and you should seek qualified professional assistance to choose the one best for you.

**For more information, visit:**

- [www.medicare.gov](http://www.medicare.gov). Medicare’s website provides a wealth of information, resources and tools, including *Medicare and You 2007*, a handbook with contact numbers for **State Health Insurance Assistance Programs** (SHIPs), which give free local health insurance counseling to seniors and caregivers; or use “Search” at [www.medicare.gov](http://www.medicare.gov) to display “Helpful Contacts;” or call 1-800-MEDICARE.
- [www.aarp.org](http://www.aarp.org). AARP offers a tremendous amount of information on LTC, including a quiz to test your knowledge. Click on “Family, Home and Legal.”

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