Skilled nursing facility (SNF) Care – Medicare A/B

**Medicare Part A (Hospital Insurance) covers skilled nursing facility care for a limited time (on a short-term basis) if all of these conditions apply:**

* You have Part A and have days left in your benefit period to use.
* You have a qualifying inpatient hospital stay.
* Your doctor has decided that you need daily skilled care (like intravenous fluids/medications or physical therapy). You must get the care from, or under the supervision of, skilled nursing or therapy staff.
* You get these skilled services in a Medicare-certified SNF.
* You need these skilled services for a medical condition that’s either:
  + A hospital-related medical condition.
  + A condition that started while you were getting care in the SNF for a hospital-related medical condition.

**Your costs in Original Medicare**

In each benefit period, you pay:

* Days 1 - 20: $0 copayment (Note: If you're in a Medicare Advantage Plan, you may be charged copayments during the first 20 days.)
* Days 21 - 100: A $200 copayment each day
* After day 100: You pay all costs
* Part A limits SNF coverage to 100 days in each benefit period.

**Note**

Your doctor or other health care provider may recommend you get services more often than Medicare covers. Or, they may recommend services that Medicare doesn’t cover. If this happens, you may have to pay some or all of the costs.

**What it is**

Skilled care is nursing and therapy care that can only be safely and effectively performed by, or under the supervision of, professionals or technical personnel. It’s health care given when you need skilled nursing or skilled therapy to treat, manage, and observe your condition, and evaluate your care.

Medicare-covered services in a skilled nursing facility include, but aren't limited to:

* A semi-private room (a room you share with other patients)
* Meals; Medications; Dietary Counseling; Social Services
* Skilled nursing care, Physical therapy, Occupational therapy, and Speech-language pathology services (Therapies based on if they're needed to meet your health goal)
* Medical supplies and equipment used in the facility
* Ambulance transportation (when other transportation endangers your health) to the nearest supplier of needed services that aren’t available at the SNF

Skilled nursing facility (SNF) Care - Medicare Advantage Plans

What is Medicare Advantage? (UHC, Aetna, BCBS, etc.)

Medicare Advantage is a type of all-in-one health plan that includes Medicare Part A, Medicare Part B and, often, Medicare Part D,3 which is prescription drug coverage. If you are a current Medicare beneficiary, you will continue to receive the same Original Medicare services when you sign up for Medicare Advantage.

Medicare Advantage plans can also include coverage for services not covered by Medicare Parts A or B, such as vision, hearing and dental coverage, as well as transportation to doctors’ offices and gym or health club memberships.

Your costs with a Medicare Advantage Plan:

* Will vary based on plan and often need to contact your insurance to know what kind of coverage you will have for a skilled stay
* Our facility will have to “pre-authorize” a stay and will likely only get a week at a time worth of authorized coverage with insurance. We will continue to attempt to authorize for more days but if denied continued skilled stay you will be switched to private pay cost.
* Your insurance will determine what they are willing to cover based on documentation from hospital and facility but therapies and nursing needs are the qualifying status that would be evaluated (same as traditional Medicare). This included occupational, physical, and speech therapies along with nursing needs.

What is covered:

* Same as services covered by traditional Medicare (See “What it is”) on first page

Original Medicare vs. Medicare Advantage

If you already have Medicare Parts A and B, you can choose to receive your Medicare benefits via a Medicare Advantage plan with a private insurance company. In fact, almost half of all eligible Medicare beneficiaries do. The number of Medicare beneficiaries enrolled in a Medicare Advantage plan has more than doubled since 2007, and the trend shows no sign of slowing down, as more Medicare Advantage plans are available in 2023 than in any year in the past 13 years.

**But is Medicare Advantage better than Medicare?**

That depends on a few factors like how much you value flexibility and a cap on annual expenses, and whether you want additional benefits like vision, hearing, and dental coverage, even how much you travel. There’s no one-size-fits-all answer, but you can consider the relative pros and cons of each in light of your personal situation to make the best choice.

**Original Medicare: Key Features**

Original Medicare, also referred to as “traditional Medicare,” is a fee-for-service program that consists of two parts: Part A (hospital insurance) and Part B (medical insurance).

Fee-for-service means that you aren’t required to use in-network providers to get a preferred rate and you don’t need a referral to see a specialist; you can use any provider that contracts with Medicare.

Medicare Part A

Medicare Part A covers inpatient care in hospitals, skilled nursing facilities, hospice care, and limited home healthcare services. Most people do not pay a premium for Part A, as long as they or their spouse paid sufficient Medicare taxes while working. The Medicare Part A deductible is $1,632 in 2024.

Medicare Part B

Medicare Part B covers outpatient care, preventive services, medical supplies, and various doctor services. Part B requires a monthly premium, which is $174.70 in 2024. The Medicare Part B deductible is $240 in 2024.

Both Parts A and B charge coinsurance amounts or copays once you’ve met the deductible. Original Medicare does not cover most prescription drugs, dental care, vision care, or hearing aids. It also does not place a limit on your annual maximum out-of-pocket expenses (unless you buy a Medicare supplement plan—Medigap—that does).

Part D Prescription Drug Coverage

If you have traditional Medicare and want prescription drug coverage, you’ll need to purchase a Part D prescription drug plan. Part D is a stand-alone prescription drug plan offered by private insurance companies approved by Medicare. The average total Medicare Part D monthly premium is $55.50 in 2024.

Each plan has a list of covered drugs (a “formulary”) and may have different pricing tiers, copayments, or coinsurance.

**Medicare Supplement Plans (Medigap)**

Medigap policies are sold by private insurance and help cover some of Original Medicare’s out-of-pocket costs, such as deductibles, co-payments, and coinsurance. They are only available if you’re enrolled in Original Medicare. (If you have a Medicare Advantage plan, you can’t get a Medigap policy.)

Medigap policies are standardized, meaning that each plan type offers the same benefits, regardless of the insurance company, but premiums for Medigap policies can vary, even for the same standardized plan, and may be more expensive if you miss Medigap open enrollment.

During your Medigap open enrollment period, which starts the month you turn 65 and are enrolled in Medicare Part B, you can buy any Medigap policy in your state, regardless of your health status. If you miss this window, you may not qualify for a Medigap plan or could pay a higher premium—making Medicare Advantage a stronger value proposition.

**Medicare Advantage: Key Features**

Medicare Advantage, also known as “Part C,” is an alternative way to receive your Original Medicare benefits, and most Medicare Advantage plans in 2023 (89%) include Part D prescription drug coverage as well.

These plans are offered by private insurance companies approved by Medicare. Medicare Advantage plans cover the same services as Original Medicare plus additional benefits, such as dental care, vision care, and transportation benefits, among others.

A few Medicare Advantage plans do not include Part D prescription drug coverage. In this case, you can purchase a separate Part D drug plan or choose a Medicare Advantage plan that includes drug coverage.

Almost all Medicare Advantage plans have a provider network; in 2023, 98% of available Medicare Advantage plans were either an HMO (58%) or a PPO (40%).

In other words, you’ll either need to see in-network doctors and specialists (HMO) or you’ll pay a lot less to do so (PPO).

Some Medicare Advantage plans may charge a monthly premium in addition to the Part B premium. However, most Medicare Advantage plans don’t charge any premium, and a few will pay a portion of the Part B premium for you. Medicare Advantage plans often have lower out-of-pocket costs relative to Original Medicare. And all Medicare Advantage plans are required to cap your annual out-of-pocket spend at $8,000 for 2024, but many plans have a lower maximum out-of-pocket.

You cannot use Medigap policies with Medicare Advantage plans. If you choose Medicare Advantage, the plan itself will have cost-sharing structures and out-of-pocket limits to help manage your expenses.

**Differences Between Original Medicare and Medicare Advantage**

*Provider networks:* With Original Medicare, you can see any doctor or specialist that accepts Medicare, without the need for a referral. Most Medicare Advantage plans have a provider network, which restricts your choice of healthcare providers.

*Maximum out-of-pocket costs:* Original Medicare has no out-of-pocket maximum, while Medicare Advantage plans have annual out-of-pocket limits—$8,000 for 2024. This means that once you reach the limit, a Medicare Advantage plan will cover 100% of your Medicare-approved expenses for the rest of the year.

*Part D prescription drug coverage:* Original Medicare does not include prescription drug coverage—you would need to purchase a separate Part D prescription drug plan. But since most Medicare Advantage plans include drug coverage, you can avoid the extra step and expense.

*Additional benefits:* Most Medicare Advantage plans include dental, vision, fitness, hearing, and telehealth benefits. Original Medicare does not cover these costs.

*Travel considerations:* Since Original Medicare doesn’t depend on a provider network, your Medicare benefits are good nationwide. However, Medicare Advantage coverage is limited to the plan’s service area, which means your plan may not cover you while traveling (except for emergency care).

*Medigap:* Medigap is available to Original Medicare beneficiaries only and is designed to supplement that coverage, for an extra premium. However, many Medicare Advantage plans offer benefits similar to Medigap (coverage for Part A and B deductibles and coinsurance), but without the extra premium.

**Pros and Cons of Medicare Advantage Plans vs. Original Medicare**

In a nutshell, most Medicare Advantage plans provide similar coverage to Original Medicare with a Part D prescription drug plan and a Medicare supplement plan. Premiums and overall costs tend to be lower with Medicare Advantage, especially if you expect to have high costs for care. (That’s because Original Medicare doesn’t limit your annual expenses, whereas Medicare Advantage does.)

The trade-off is that you need to seek care within a provider network, and will need to get referrals for specialists if you choose an HMO. With Original Medicare, you have much greater flexibility in choosing a physician and aren’t limited by geographical constraints when traveling.

It's crucial to compare the benefits offered by Medicare Advantage plans and Original Medicare in the context of your personal situation. For example, if you travel regularly, perhaps you summer in one location and winter in another, Original Medicare may be a better fit since you can see any Medicare-participating doctor in any domestic location for ongoing, non-emergency care.