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Medicare and Medicaid

Government Healthcare Programs — Coverage, Eligibility & Key Differences

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Medicare and Medicaid are two key government-run healthcare programs in the United States, designed to provide medical coverage to specific populations. While both are administered by the Centers for Medicare & Medicaid Services (CMS), they serve different groups and have distinct eligibility requirements, coverage options, and funding mechanisms.

1. What is Medicare?

Medicare is a federal health insurance program primarily for individuals 65 and older and certain younger individuals with disabilities or End-Stage Renal Disease (ESRD).

Medicare Coverage Components

- **Medicare Part A (Hospital Insurance) —** Covers inpatient hospital stays, skilled nursing facility (SNF) care, hospice, and some home health services.
- **Medicare Part B (Medical Insurance) —** Covers outpatient services, doctor visits, preventive care, durable medical equipment, and certain therapies.
- **Medicare Part C (Medicare Advantage) —** Private insurance alternative to Original Medicare (Parts A & B), often including additional benefits such as vision, dental, and prescription drug coverage.
- **Medicare Part D (Prescription Drug Coverage) —** Helps cover the cost of prescription medications.

Medicare Eligibility

- **Individuals 65 years or older** who have worked and paid Medicare taxes.
- **Individuals under 65 with certain disabilities** (e.g., receiving SSDI for 24 months).
- **Individuals with End-Stage Renal Disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS).**

2. What is Medicaid?

Medicaid is a joint federal and state program that provides health coverage for low-income individuals and families. It is state-administered with federal oversight, leading to variations in eligibility and benefits across states.

Medicaid Coverage

- **Essential health benefits,** including doctor visits, hospital stays, and preventive care.
- **Long-term care services** (unlike Medicare, Medicaid covers extended nursing home care).
- **Pregnancy-related services.**
- **Behavioral health and substance abuse treatment.**
- **Certain prescription drugs and durable medical equipment.**

Medicaid Eligibility

- **Low-income individuals and families** (varies by state, based on the Federal Poverty Level (FPL)).
- **Pregnant women, children, and parents** meeting income criteria.
- **Elderly individuals needing long-term care.**
- **Disabled individuals** who meet Social Security criteria.

3. Key Differences Between Medicare and Medicaid

Feature	Medicare	Medicaid
Administration	Federal program (National)	Joint federal-state program
Eligibility	65+ or certain disabilities	Low-income individuals and families
Coverage	Hospital, outpatient, prescription drugs	Doctor visits, long-term care, preventive care
Costs	Premiums, deductibles, copays	Little to no out-of-pocket costs for most enrollees
Long-Term Care	Limited coverage	Covers nursing home & home health care
State Variability	Uniform coverage nationwide	Varies by state