

Medicare—Am I Covered?

Are You a Hospital Inpatient or Outpatient?

If You Have Traditional/Original Medicare – Ask!

Did you know that even if you stay in a hospital overnight, you might still be an “outpatient?” Whether you are an “inpatient” or “outpatient” **changes how Medicare pays** for hospital services (like X-rays, drugs, and lab tests) and may affect your deductibles and coinsurance. It may also change whether Medicare will pay for your care in a skilled nursing facility (SNF) after your hospital stay.

- You're an **inpatient** when you **have a provider's order to be formally admitted** to a hospital and you meet Medicare's inpatient criteria. The day **before** you're discharged is your last inpatient day.
- You're an **outpatient** if you're getting Emergency Department services, observation services, outpatient surgery, lab tests, X-rays, or any other hospital services, and **the provider hasn't written an order to admit you to the hospital as an inpatient**. In these cases, you're an outpatient even if you spend the night at the hospital.

What are observation services?

Observation services are hospital **outpatient services** to help the provider decide if you need to be admitted as an inpatient or can go home. Observation services may be given in the Emergency Department or another area of the hospital.

How does the provider decide whether to admit me as an inpatient?

Your provider will decide if hospital care is medically necessary for you. “Medically necessary” is generally when you meet acute care criteria. To be an inpatient, your provider must order you to be admitted as an inpatient AND the hospital must formally admit you. If you have a Medicare Advantage Plan (like an HMO or PPO), your costs and coverage may be different. Check with your plan.

Will I have to pay for medicine I need to take while I'm an outpatient?

Generally, prescription and over-the-counter drugs you get in an outpatient setting (like an Emergency Department), sometimes called “self-administered drugs,” are NOT covered by Part B. To avoid medication errors, many hospitals like Valley Medical Center don't allow patients to bring prescription or other drugs from home. If you have Medicare prescription drug coverage (Part D), these drugs may be covered under certain circumstances. You'll likely need to pay out-of-pocket for these drugs and submit a claim to your drug plan for a refund. Call your drug plan for more information.

What do I pay as an inpatient?

- Medicare Part A (Hospital Insurance) covers inpatient hospital services. Generally, this means you pay a one-time deductible for all of your hospital services for the first 60 days you're in a hospital.
- Medicare Part B (Medical Insurance) covers most of your doctor services when you're an inpatient. You pay 20% of the Medicare-approved amount for doctor services after paying the Part B deductible.

What do I pay as an outpatient?

- Part B covers outpatient hospital services. Generally, this means you pay coinsurance for each outpatient hospital service. This amount may vary by service. **Note:** The coinsurance for a single outpatient hospital service can't be more than the inpatient hospital deductible. However, your total coinsurance for all outpatient services may be more than the inpatient hospital deductible.
- Part B also covers most of your ED services when you're a hospital outpatient. You pay 20% of the Medicare-approved amount after you pay the Part B deductible.
- Generally, the prescription and over-the-counter drugs you get in an outpatient setting (like an Emergency Department), sometimes called “**self-administered drugs,**” aren't covered by Part B. To avoid medication errors, many hospitals like Valley Medical Center have safety policies that don't allow patients to bring prescription or other drugs from home. If you have Medicare prescription drug coverage (Part D), these drugs may be covered under certain conditions. You'll need to pay out-of-pocket for these drugs and submit a claim to your drug plan for a refund. Call your drug plan for more information.

Where can I get more help?

- If you need help understanding whether you are an inpatient or an outpatient, please call the Utilization Management team at **ext. 5686**. If you have a question after your discharge, you may also call Customer Service at 425.251.5178, Option 3.
- For more information on your Medicare coverage, read your “Medicare & You” handbook, or call 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048.
- For more information about coverage of **self-administered drugs**, read “How Medicare Covers Self-administered Drugs Given in Hospital Outpatient Settings” online at Medicare.gov/publications, or call 1.800.MEDICARE for a free copy.

This flyer is meant as a guide only. **For more detailed information on how Medicare covers hospital services, including premiums, deductibles, coinsurance and copayments,** visit Medicare.gov/publications to view the “Medicare & You” handbook **or call your insurer.** You can also call 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048.

How Medicare will Pay in Common Hospital Situations

Remember, you may be responsible for deductibles, coinsurance and copayments. If you need certain services that are not covered under Medicare Part A or Part B, you will have to pay for them unless you have other coverage (including Medicaid) that cover the cost. If you have a Medicare Advantage plan, non-covered services may differ among plans, check with your insurer for details.

Situation	Inpatient or outpatient	Part A pays	Part B pays	Part D pays
Your provider writes an order for you to be admitted to the hospital as an inpatient. The hospital admits you as an inpatient.	Inpatient	Part A pays all but your Part A deductible, if your deductible applies	Provider services	Does not apply. During an inpatient stay, drugs are covered under your Part A hospitalization.
You're in the Emergency Department (ED) and then you're formally admitted to the hospital with a provider's order.	Your status changes to Inpatient	Part A pays all but your Part A deductible, if your deductible applies	Provider services	Does not apply. During an inpatient stay, drugs are covered under your Part A hospitalization.
You visit the ED and are sent to the Critical Care Center for observation. Your provider expects you to be sent home the next morning unless your condition worsens. Your condition resolves and you're sent home the next day.	Outpatient	Does not apply	Provider services & outpatient hospital services (for example, lab tests)	You may submit your Part D claims for reimbursement of self-administered drugs.
You come to the ED with chest pain and the hospital keeps you for two nights. One night is spent in observation and the doctor writes an order for inpatient admission on the second day.	Your status changes to Inpatient	Part A pays all but your Part A deductible, if your deductible applies.	Provider services	Does not apply. During an inpatient stay, drugs are covered under your Part A hospitalization.
You go to a hospital for outpatient surgery, but they keep you overnight for high blood pressure. Your provider doesn't write an order to admit you as an inpatient. You go home the next day.	Outpatient	Does not apply	Provider services and hospital outpatient services (for example, lab tests).	You may submit your Part D claims for reimbursement of self-administered drugs.
Your provider writes an order for you to be admitted as an inpatient, and the hospital later tells you it's changing your hospital status to outpatient. The hospital must tell you in writing – while you're still a hospital patient before you're discharged – that your hospital status changed.	Outpatient	Does not apply	Provider services and hospital outpatient services (for example, surgery, lab tests or intravenous medicines)	You may submit your Part D claims for reimbursement of self-administered drugs.
You are receiving a hospital outpatient service such as chemotherapy, blood transfusion, radiology services, sleep study, or outpatient surgery, etc.	Outpatient	Does not apply	Provider services and hospital outpatient services (for example, surgery, lab tests or intravenous medicines)	You may submit your Part D claims for reimbursement of self-administered drugs.

Remember: Even if you stay overnight in a regular hospital bed, you might be an outpatient. Ask the Utilization Management team ext. 5686.

If you have a question after your discharge, you may also call Customer Service at 425.251.5178, Option 3.