

Medicare Cheat Sheet

A handy reference for common Medicare terms

As you begin your Medicare journey, you'll see certain terms used over and over. To help you learn the language of Medicare, we've compiled a glossary of common terms that you can reference anytime.

Medicare:

A government healthcare program for anyone 65 and older or people with qualifying disabilities.

Original Medicare/Traditional Medicare:

A healthcare program managed and regulated by the federal government. Consists of both Part A (hospital insurance) and Part B (medical insurance).

Part A:

The section of Medicare that primarily covers hospital stays, skilled nursing facilities (SNF), and hospice. Sometimes called "hospital insurance."

Part B:

The section of Medicare that primarily covers doctors, specialists, tests, and procedures. Sometimes called "medical insurance."

Part C/Medicare Advantage:

Private health insurance plans providing Medicare benefits. Plans include at least the same benefits as Part A & B, but may include more, such as drug, hearing, dental, and vision coverage.

Part D:

Prescription drug coverage sold by insurance companies that you may add to Original Medicare. Plans vary coverage, pricing, and availability by location.

Medigap/Medicare Supplement:

Supplemental insurance you may purchase to cover some of the "gaps" Medicare doesn't cover regarding payment, i.e., copayments, coinsurance, deductibles.

Beneficiary:

A person who receives Medicare coverage.

Coinsurance:

An amount—typically a percentage—you pay for a covered service or item once you meet the deductible.

Copayment/Copay:

An amount—typically a dollar amount—you pay for a covered service or item once you meet the deductible.

Deductible:

The dollar amount you must pay toward your health care before your plan's coverage begins.

Premium:

A payment (typically monthly) that you pay in exchange for coverage.

Medicare-approved Amount:

How much a service or item costs, according to Medicare.

Appeal:

The process a patient may follow if they disagree with a decision about their Medicare, Medicare Advantage, or Part D plan coverage or payment.

Medicaid:

Not to be confused with Medicare, this is a federal and state program that helps low-income people pay for health care. Qualifications and coverage vary by state.