

Chapter 8

Checkpoint 8.1

1. What is the purpose of Medicare?

Answer: To provide health insurance to those age 65 and older.

2. Which part of Medicare pays for doctor's visits and medical services?

Answer: Part B

3. What does Medigap insurance cover?

Answer: Costs Medicare does not cover, such as copays and deductibles.

4. What is the government's online tool to help someone choose a Medicare plan?

Answer: Medicare Plan Finder

5. How does the Patient Protection and Affordable Care Act of 2010 address funding challenges for Medicare?

Answer: It increases the FICA tax on earners with incomes over \$250,000, imposes reforms on the delivery system to make it more efficient and less costly, and funds efforts to reduce Medicare fraud.

Checkpoint 8.2

1. What is the purpose of Medicaid?

Answer: To help low-income individuals and some others receive health care.

2. How much of Medicaid funding comes from the federal government?

Answer: 57%

3. In general, what is Medicaid eligibility based on?

Answer: Age, income, and assets.

4. What typically does not count as an asset when determining eligibility for Medicaid?

Answer: Homes and cars.

5. How will the Patient Protection and Affordable Care Act of 2010 reduce state costs for Medicaid?

Answer: The federal government will pay for 96% of the cost of the Medicaid expansion that begins in 2014.