

To understand this better, see the chart below. Let's say a patient stays at the hospital for 4 days, and the care provided ends up costing \$10,000. Keep in mind that costs can vary greatly depending on the type of care provided during that time.

**Example: Estimated Costs under Inpatient and Observation Status for a 4 day Hospital Stay**

Term to Know- Deductible: What the patient must pay before Medicare pays.

<b>Inpatient</b>	<b>Observation</b>	
<b>Medicare Part A</b>	<b>Medicare Part B</b>	<b>Medicare Part D</b>
4 day stay: \$10,000	4 day stay: \$10,000	
<p><b>Costs</b>  <i>Hospital Deductible</i> \$1260</p> <p>After deductible the patient pays \$0 for first 60 days.</p>	<p><b>Costs</b>  <i>Part B Deductible:</i> \$166</p> <p>After the deductible, the patient pays 20% of services provided during hospital stay.</p>	<p>There is a chance that the hospital pharmacy is out of network and patients will be stuck with the full cost of medications.</p>
<p><b>Skilled Nursing</b>                      Skilled Nursing is a covered benefit after discharge with 3 day stay</p>	<p><b>Skilled Nursing</b>                      The patient is responsible to pay for all skilled nursing services.</p>	
<p><b>Medications</b> are covered.</p>	<p><b>Medications</b> may not be covered.</p>	
<p><b>Total cost to patient:</b>  <b>\$1260 for Medicare covered services.</b>                      Skilled nursing is covered after the patient leaves the hospital since they stayed for 3 days as an inpatient.</p>	<p><b>Total cost to patient:</b>                      \$166 deductible + 20% of \$10,000= \$166+\$2000=  <b>\$2166 for hospital services only, plus extra costs for medications and skilled nursing.</b>                      The patient would not have any skilled nursing facility services covered after their stay. If the patient did go to a skilled nursing facility, they could owe <u>\$205 per day</u> or more.</p>	