Are you inpatient or outpatient?
If you are on Original Medicare—you NEED to know!

Why? Your hospital status affects what you will pay for your stay and will affect your ability to receive Skilled Nursing Facility (SNF) Coverage. Staying overnight in the hospital, or even for a few days, does not mean you are formally admitted to the hospital.

As an inpatient in the hospital, it means your medical doctor has written an order admitting you to the hospital. You will receive medically reasonable and necessary hospital services, such as: room, meals, nursing care, therapy, lab tests, medications and other treatment, services and supplies for your conditions. Inpatient stays are covered under Medicare Part A. You will incur the per benefit hospital deductible (in 2018—$1340) and pay nothing for the first 60 days. However, some of the doctors services you receive while inpatient are covered under Medicare Part B.

If you have spent three (3) consecutive days or more as an inpatient, you may be discharged to a Skilled Nursing Facility (SNF), where Medicare Part A will help pay for your stay.

What if you found out you are under “Observation Status”, what does that mean? Observation Status means you do not have a written order to be admitted to the hospital, even though you are receiving the same services as an inpatient! Why is this important? It changes which part of Medicare pays for your services. Medicare Part B covers outpatient services, and “observation” is considered outpatient. Generally this means you will pay a copay for each individual outpatient service, as well as doctors services. Medicare pays at 80% after meeting the calendar year deductible of $183 (in 2018). Keep in mind, prescription drugs you receive during outpatient settings are not covered under Medicare Part B. You may need to pay out of pocket for medications and file a claim with your Medicare Part D carrier.

What about being discharged to a SNF under Observation Status? Since technically you were NOT admitted to the hospital, you did not incur the three (3) day stay as an inpatient, therefore Medicare will provide no payment to the SNF. You are held financially accountable.

How do I know if I am Inpatient our Outpatient? Ask! Ask about your hospital status everyday, or entrust this important question to a friend/family member. Hospitals must provide the Medicare Outpatient Observation Notice (MOON) to individuals receiving outpatient services for more than 24 hours. The Hospital staff is required to provide an oral explanation why you are not considered an inpatient and explain the financial impact of your stay as well as care after you leave the hospital. The patient or a legal representative will need to sign this notice.

For more information about Inpatient versus Observation and the Medicare Outpatient Observation Notice, please call your Area Agency on Aging and speak with a Certified CHOICES Counselor by calling the in-state toll free number (800) 994-9422. Or visit the Center for Medicare Advocacy at www.medicareadvocacy.org/medicare-info/observation-status