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URL: http://www.aarp.org/health/insurance/medicaid_the_basics.html

Medicare and Medicaid are both types of health insurance, but they are not the same. Medicare is for people age 65 or older or who are blind or disabled. Medicaid is for people with low incomes who fit into certain categories.

The Medicaid program is a partnership between the federal and state governments. States must follow federal guidelines, but they have the flexibility to determine some of the rules and benefits. For instance, federal law requires states to:

- **include certain groups of people (see "Who Can Get Medicaid"), but they may also choose to include others.**
- **cover certain types of services (see "What Are the Benefits?"), but they are also able to add optional services.**

Who Can Get Medicaid?

Medicaid helps low-income persons of all ages pay for medical and long-term care. It may also help people who have extremely high medical bills or need to pay for nursing home care. To qualify for Medicaid, you must meet the income and resource guidelines in your state. Income is money you get from Social Security, a job, pension, or other sources. Resources are things you own, such as a savings account. But Medicaid doesn't count everything. Some things, such as your home and one car, are not counted.

Generally, you must be a U.S. citizen to qualify for Medicaid. However, Emergency Medicaid is available, regardless of your citizenship status.

In some states, people whose incomes are too high to initially qualify for Medicaid can still qualify if their medical bills are very high. Then Medicaid asks you to pay some of the bills and it will pay the rest. This is called "spending down" to Medicaid eligibility.

For state guidelines and other Medicaid information, visit the [Centers for Medicare and Medicaid Services](#) (CMS) Web site.

What Are the Benefits?

Federal law requires states to provide nursing home coverage; also, states may elect to provide community long-term care services for individuals who are eligible for Medicaid and qualify for institutional care.

Medicaid must pay for some services, such as inpatient and outpatient hospital services, physician and certified nurse practitioner visits, laboratory tests and x-rays, nursing home and home health care, and certain screenings. It may also pay for services, such as prescription drugs, clinic visits, prosthetic devices, hearing aids, dental care, eye

exams, glasses, transportation for medical care, and medical services not covered by Medicare. It can also help pay Medicare costs.

AARP Resources

[AARP Health Guide](#)

Medicare Interactive, part of the AARP Health Guide, can help you with questions about Medicaid if you are also on Medicare.

[Applying for Medicaid](#)

AARP provides information on how to apply for Medicaid.

[Understanding Medicare, Medigap, and Medicaid](#)

AARP The Magazine explains the differences between these three health insurance programs.

[The Medicaid Program: An Overview](#)

The AARP Public Policy Institute reviews who is eligible to be covered by Medicaid, how the federal-state program is financed, trends in Medicaid spending, and a list of mandatory versus optional Medicaid services.

[Finding Health Insurance for Your Grandchildren](#)

When you're responsible for providing health insurance for a grandchild, it's not easy. AARP talks about Medicaid, SHIP and SCHIP programs.

Additional Resources

[Centers for Medicare and Medicaid Services \(CMS\)](#)

CMS - the federal agency that runs Medicare, Medicaid, and State Children's Health Insurance Program (SCHIP) - offers a wealth of information.

[Benefits Checkup.org](#)

Answer a few confidential questions and this database tells you which federal, state, and local programs you might be eligible for and how to apply. The site is provided by the National Council on Aging. AARP is a national outreach partner for the site.

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