



Catastrophic Health Coverage Fact Sheet

2026 patient reference. A major illness can create medical cost sharing and separate costs for travel, household help and longer recovery. Match each exposure to the right type of coverage and its contract terms.

Layer	What it may do and its limits
Main medical plan	Original Medicare with optional Medigap or Medicare Advantage pays eligible medical care under its rules. Check provider access, approvals and out-of-pocket costs. Medigap cannot supplement Advantage cost sharing.
Prescription coverage	Part D or plan drug coverage may pay covered outpatient medicines. Check formulary, pharmacy and restrictions; some office-administered cancer medicines are under Part B.
Critical illness / cancer	A specified-disease policy may pay a lump sum or scheduled cash after a contract-defined cancer, heart attack or stroke. Definitions, severity tests, waiting periods, exclusions and recurrence rules matter.
Hospital indemnity	Pays fixed cash amounts for qualifying hospital stays or defined services. Admission rules, daily limits and exclusions vary; it is not comprehensive medical coverage.
Recovery care	A separate short-term care policy may pay specified home or facility benefits after a qualifying trigger. Check elimination period, daily maximum, duration and eligible caregivers.

Stress test three situations

- Cancer: specialty providers, surgery or infusions, oral drugs, transportation and time away from normal routines.
- Heart attack: emergency admission, procedures, rehabilitation and follow-up visits.
- Stroke: hospital treatment, skilled rehabilitation, home modification and possible daily living assistance.

Do and do not

Do compare the benefit trigger and total premium with your budget. Do not assume every diagnosis or hospital stay qualifies, or that cash coverage pays the entire bill. Medicare skilled care has medical requirements; long-term custodial care is generally excluded.

Verify the current plan or policy documents before enrolling. Benefits, costs, networks and eligibility can change.

Official sources: Medicare.gov, Medicare and You 2026; Medicare.gov, Skilled nursing facility and long-term care; NAIC, Supplemental Benefits Overview

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