

## Medicare Premiums and Coinsurance Rates for 2012

### **Medicare Premiums for 2012:**

#### **Part A: (Hospital Insurance) Premium**

- Most people do not pay a monthly Part A premium because they or a spouse has 40 or more quarters of Medicare-covered employment.
- The Part A premium is \$248.00 per month for people having 30-39 quarters of Medicare-covered employment.
- The Part A premium is \$451.00 per month for people who are not otherwise eligible for premium-free hospital insurance and have less than 30 quarters of Medicare-covered employment.

#### **Part B: (Medical Insurance) Premium**

The standard Medicare Part B monthly premium will be \$99.90 in 2012, a \$15.50 decrease over the 2011 premium of \$115.40. However, most Medicare beneficiaries were held harmless in 2011 and paid \$96.40 per month. The 2012 premium represents a \$3.50 increase for them.

In 2012, Social Security monthly payments to enrollees will increase by 3.6 percent. The dollar increase in benefit checks is expected to be large enough on average to cover the increase in the Part B premium of \$3.50 that most beneficiaries will experience. For those who were paying the standard premium of \$115.40, their benefits checks will only increase.

As required in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, beginning in 2007 the Part B premium a beneficiary pays each month is based on his or her annual income. Specifically, if a beneficiary's "modified adjusted gross income" is greater than the legislated threshold amounts (\$85,000 in 2012 for a beneficiary filing an individual income tax return or married and filing a separate return, and \$170,000 for a beneficiary filing a joint tax return) the beneficiary is responsible for a larger portion of the estimated total cost of Part B benefit coverage.

In addition to the standard Part B premium, affected beneficiaries must pay an income-related monthly adjustment amount. These income-related amounts were phased-in over three years, beginning in 2007. About 4 percent of current Part B enrollees are expected to be subject to these higher premium amounts.

### **Medicare Deductible and Coinsurance Amounts for 2012:**

**Part A:** (pays for inpatient hospital, skilled nursing facility, and some home health care) For each benefit period Medicare pays all covered costs except the Medicare Part A deductible (2012 = \$1,156) during the first 60 days and coinsurance amounts for hospital stays that last beyond 60 days and no more than 150 days.

**For each benefit period you pay:**

- A total of \$1,156 for a hospital stay of 1-60 days.
- \$289 per day for days 61-90 of a hospital stay.
- \$578 per day for days 91-150 of a hospital stay (Lifetime Reserve Days).
- All costs for each day beyond 150 days

**Skilled Nursing Facility Coinsurance**

- \$144.50 per day for days 21 through 100 each benefit period.

**Part B:** (covers Medicare eligible physician services, outpatient hospital services, certain home health services, durable medical equipment)

- \$140.00 per year. (Note: You pay 20% of the Medicare-approved amount for services after you meet the \$140.00 deductible.)

Additional information about the Medicare premiums, deductibles, and coinsurance rates for 2012 is available in the October 27, 2011 Fact Sheet titled, "[Medicare Premiums and Deductibles for 2012](#)" on the [www.cms.gov](http://www.cms.gov) website.