

IMPACT OF MEDICARE PART B INCREASES ON BENEFICIARIES

National Coalition on Health Care

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Beneficiary Health Care Costs

- **Standard Part B Premiums in 2016 = \$121.80 or \$104.90**
- **Part B Deductible = \$166**
- **Part B Copay = 20% after deductible is met**
- **Part A Deductible = \$1,288 *per stay***
- **Part A Coinsurance:**
 - Days 1-60: \$0 coinsurance for each benefit period
 - Days 61-90: \$322 coinsurance per day of each benefit period
 - Days 91 and beyond: \$644 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime)
 - Beyond lifetime reserve days: all costs
- **Dental, Hearing, and Vision not covered**
- **Medigap, Part D Rx are additional**

Not Everyone is “Held Harmless”

The hold-harmless provision does not apply to approximately 16 million Medicare beneficiaries:

- 2.6 million beneficiaries who are new to Part B in 2017,
- 3.2 million higher-income beneficiaries whose premiums are income-related,
- Beneficiaries not collecting Social Security checks, or
- Beneficiaries who are enrolled in Medicaid and whose premiums are paid by state Medicaid programs, or a Medicare Savings Program.

Not “held harmless” ...

Those who do not receive Social Security.

- Not yet signed up for Social Security for various reasons, for example because they have not reached full retirement age or are still working.

Those who did not have Medicare premiums deducted from their Social Security checks at the end of one year and the beginning of the next.

- Those who first become eligible to enroll in Social Security or Medicare during the year the hold-harmless provision is in effect.

New Beneficiaries' OOP Costs

Out-of-Pocket Spending Varies by Beneficiaries' Socioeconomic Characteristics

		Mean Spending			Median Spending			90th Percentile of Spending		
		Total	Medicare covered services	Non-Medicare covered services	Total	Medicare covered services	Non-Medicare covered services	Total	Medicare covered services	Non-Medicare covered services
	Overall	\$5,357	\$1,370	\$1,401	\$3,595	\$454	\$196	\$10,436	\$3,156	\$2,002
Age	Under 65	3,358	1,326	786	1,951	407	0	7,696	3,005	1,866
	65-69	4,137	904	728	3,082	316	188	8,662	2,240	1,499
	70-74	5,335	1,360	875	4,219	504	250	10,514	3,320	1,788
	75-79	5,403	1,466	964	4,175	558	247	10,552	3,550	1,885
	80-84	6,407	1,601	1,646	4,556	552	257	11,487	3,482	2,141
	85+	9,469	2,029	4,478	5,041	575	332	19,180	4,121	11,352

*Medicare Beneficiaries' Out-of-Pocket Spending for Health Care, Claire Noel-Miller, AARP Public Policy Institute,

Quirk in “Income-Relating”



- Janet earned \$86,000 in 2015.
- She retired in 2016 and enrolled in Medicare.
- She now lives off of \$50,000 in savings and retirement income.

She still has to pay higher income-related premiums in 2017!