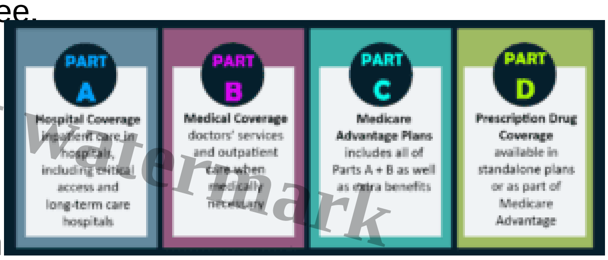
2019 Medicare Costs

Description

It seems like each year, health costs of seniors increase higher and higher. Monitoring your Medicare costs from time-to-time, will keep you on the right track for all your financial planning and retirement needs. If you are already in this phase of your life, or will be approaching it soon, this is an integral part of your overall financial health.

It is a common misconception that seniors have access to free healthcare. That may generally be true for Part A. However, that is not the case for Medicare Part B, Medicare Advantage, Medicare Part D, or Medicare Supplement (Medigap) plans. Below you will see pertinent information on 2019 Medicare costs, including those that are premium-free.



MEDICARE PART A â?? Premium

Medicare Part A covers inpatient hospital stays, skilled nursing, and rehabilitation up to certain limits, once a deductible is met. If you are hospitalized for longer than 60 days, you will need to pay a share of the expenses; after 90 days, if youâ??ve already used up your 60 lifetime reserve days, you will be responsible for 100% of your bill.

You Can Get Part A Premium-Free If:

- You already receive Social Security benefits or Railroad Retirement Board benefits.
- Youâ??re eligible to collect Social Security or Railroad benefits but have not yet filed for them.
- You or your spouse had Medicare-covered government employment.

If youâ??re under 65, you can get premium-free Part A if:

- You have already collected Social Security or Railroad Retirement Board disability benefits for 24 months.
- You have End-Stage Renal Disease (ESRD)and meet certain requirements.

The Part A premium, for most people, is free. Hence, it is usually called â??Premium-freeâ?• Part A â?? it is not one of the normal Medicare costs; however, it is not free for those who do not qualify. To qualify, you are required to have completed at least 40 quarters of employment (10 years) of paying Medicare and FICA taxes while working. If you paid Medicare taxes for 30 quarters or less, Part A premium is **$437**. If you paid Medicare taxes for 30-39 quarters, the Part A premium is **$240**.

Usually, if you decide to buy Part A, you are required to also have [Medicare Part B (Medical Insurance)] and pay monthly premiums for both Part A and Part B. For more information about Part A, contact the Social Security Administration.

MEDICARE PART A â?? Inpatient Hospital Deductible & Coinsurance:

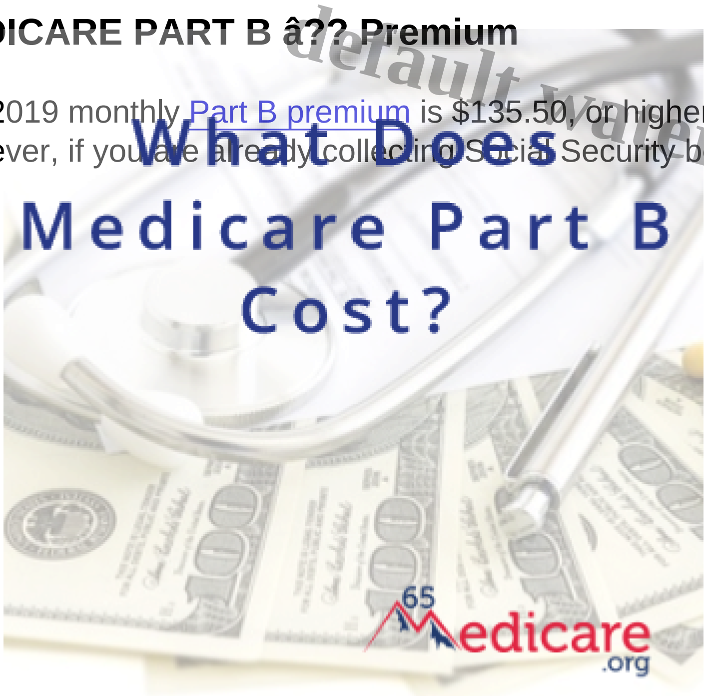
Deductible: $1,364 (for each benefit period)

Coinsurance:

- Days 1-60 $0 (for each benefit period)
- Days 61-90 $341 (per day for each benefit period)
- Days 91+ $682 (per each â??lifetime reserve dayâ?• after day 90 for each benefit period, up to 60 days over your lifetime)
- Beyond lifetime reserve days: You pay all costs

MEDICARE PART B â?? Premium

The 2019 monthly Part B premium is $135.50, or higher depending on your income (see IRMAA below). However, if you are already collecting Social Security benefits, the premium may be less, on average



$134.

The standard premium amount of $135.50 pertains to you if:

- You are signing up for Part B for the first time
- You are not collecting Social Security benefits
- You are on direct bill for the premiums
- You are on Medicare and Medicaid, and your premium is paid by Medicaid (your state pays the standard $135.50 premium amount)

What is IRMAA?

IRMAA stands for â??*Income Related Monthly Adjusted Amountâ?•.* If your modified adjusted gross income on your IRS tax return 2 years prior is over a certain amount, you will have to pay the standard premium amount plus an IRMAA. In short, it is an additional charge on your premium. See table below.

If your yearly income in 2017 was:

Individual	Joint	Married/Separate Tax Return	Monthly Premium
$85,000 or less	$170,000 or less	$85,000 or less	$135.50
$85,000-170,000	$170,000-214,000	Not Applicable	$187.50
$107,000-133,500	$214,000-$267,000	Not Applicable	$267.90
$133,500-160,000	$267,000-$320,000	Not Applicable	$348.30
$160,000 +	$320,000 +	Above $85.000	$428.60

Important Note: If youâ??ve had a life changing event, i.e. you just retired, you might be qualified for a reduction on any of the above amounts. Call Social Security at 800-772-1213, to find out more.

MEDICARE PART B â?? Annual Deductible

The annual deductible in 2019 for Part B is **$185/year**. Once you meet that deductible, then you pay 20% coinsurance (the Medicare-approved amount) for covered services, which includes:

- Most doctor services (including while you are in the hospital)
- Any outpatient therapy
- Durable medical equipment

Clinical laboratory services: Cost is $0 for Medicare-approved services

Home health services:

- $0 for home health care services
- 20% of the Medicare-approved amount for durable medical equipment

Outpatient mental health services:

- You are entitled to a free yearly depression screening, provided that your physician or health care provider accepts assignment.
- You pay 20% of the Medicare-approved amount for doctor or other health care provider visits, to diagnose or treat your condition. Part B deductible will apply.

Please note: you might be obligated to pay an additional copayment or coinsurance amount to the hospital, if you receive your services in a hospital outpatient clinic or outpatient department, i.e. if you have x-rays taken by a physician whose office is in a Medical Center or hospital,

Mental health services requiring partial hospitalization:

- You pay a percentage of the Medicare-approved amount for doctorsâ?? services or other qualified mental health professionals, provided they accept assignment.
- You will also pay coinsurance for services in a hospital outpatient setting or community mental health center, while you are an inpatient, **and** the Part B deductible will apply.

Please be aware that in 2019, there may be limits on physical therapy, occupational therapy, and speech language pathology services. If there are, there may be exceptions to these limits.

Outpatient hospital services:

- Your share is 20% of the Medicare-approved amount for physician or other health care providerâ??s services. Part B deductible will apply.
- You will usually pay a copayment for all other services in a hospital outpatient setting. That copayment might be higher if in a hospital outpatient setting as opposed to a doctorâ??s office.
- Some screenings/preventive services might be at no cost, since your coinsurance, copayments and Part B deductible will not apply.

MEDICARE PART C â?? Medicare Advantage

- **Deductibles, copayments, & coinsurance:**

The cost for Part C (Medicare Advantage) deductibles, copayments, and/or coinsurance also varies according to which plan you have. To see a list of Medicare Advantage plans in your service area, you can go online at https://www.medicare.gov/find-a-plan. Once you find a plan, you can call that provider for further information and to enroll. Also, note that, on this type of plan, the deductibles, co-pays and overall out of pcoket costs change annually.

MEDICARE PART D â?? Prescription Drug Coverage

- Part D monthly premiums vary considerabl … earn a higher income, you may pay more (IRMAA).

[Medigap / Medicare Supplement Plans]

- Medigap plans are plans that fill in the gaps in Medicare Part A and B. The premiums for this type of plan are based on several variables including: age, zip code, gender, tobacco use, health, and others in some cases.
- Costs vary tremendously in different parts of the country â?? in some states, Medigap premiums are as much as 3x other states
- Go here to get a list of current Medigap rates delivered via email

If you have any questions about what your Medicare costs will be in 2019, please visit Medicare.gov or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users call 1-877-486-2048.

65Medicare.org is a leading, independent Medicare insurance

agency for people turning 65 and going on Medicare. If you have any questions about this information, you can contact us online or call us at 877.506.3378.

Category

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