2018
MEDICARE COSTS
A Medicare Interactive Resource
www.medicareinteractive.org
Part A
Hospital Insurance

**Premium**
If you've worked 10 years or more  
Free
If you've worked 7.5 to 10 years  
$232/month
If you've worked less than 7.5 years  
$422/month

**Deductible**
For each benefit period*  
$1,340

**Hospital Coinsurance**
First 60 days of inpatient care each benefit period*  
$0
For days 61-90 each benefit period*  
$335/day
After day 90 in a benefit period  
$670/
lifetime reserve day**

**Skilled Nursing Facility Coinsurance**
First 20 days of inpatient care each benefit period*  
$0
For days 21-100 each benefit period  
$167.50/day

*A benefit period begins the day you start getting inpatient care. It ends when you haven’t received inpatient hospital or skilled nursing facility care for 60 days in a row.

**You have 60 lifetime reserve days that can only be used once. They are not renewable.
Part B
Medical Insurance

**Premium**
Standard premium if your annual income is below $85,000 ($170,000 for couples)*

$134/month

People with high incomes have a higher Part B premium. Visit Medicare Interactive to learn more.

People with limited incomes may be eligible for the Medicare Savings Program for help paying their Part B premium. Visit Medicare Interactive to learn more.

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**Deductible**
Annual amount

$183/year

**Coinsurance**
For most Part B-covered services

20%

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*You pay the standard Part B premium if you:

- are new to Medicare in 2018,
- don’t collect Social Security benefits, or
- are billed directly for your Part B premium.

Some people pay a premium that is lower than the standard premium because their Social Security benefits did not increase enough to cover the increase in their Part B premium from 2017 to 2018.
Part D
Prescription Drug Coverage

Premium
The premium varies by Part D plan. $35.02/month
National average in 2018

People with high incomes have a higher Part D premium. Visit Medicare Interactive to learn more.

Deductible
The deductible varies by plan. It cannot be more than $405 per year if you do not have Extra Help.

If you have full Extra Help
$0

If you have partial Extra Help
$82/year
or your plan’s standard deductible (whichever is cheaper)

What is Extra Help?
If your monthly income is up to $1,528 for singles ($2,050 for couples) and your assets are below specified limits, you may be eligible for Extra Help, a federal program that helps you pay for some or most of the costs of Medicare prescription drug coverage.

Visit Medicare Interactive to learn about Part D costs if you have Extra Help.
What you pay for Part D throughout the year

How much you and your Part D plan pays will change during the year. There are four different coverage periods for Medicare prescription drug coverage.

1. Deductible Period
If your plan has a deductible, you will have to pay the full cost of your drugs (100%) until you meet that amount.

2. Initial Coverage Period
Begins after you meet the deductible.

- **You pay 25%**
- **Your plan pays 75%**

3. Coverage Gap (also known as the "donut hole")
Begins when you and your plan together have paid $3,750 for your covered drugs (does not include the premium).

- **Brand-name drugs**
  - **You pay 35%**
  - **65% discount**

- **Generic drugs**
  - **You pay 44%**
  - **56% discount**

4. Catastrophic Coverage
Begins when you have paid $5,000 for your covered drugs (does not include the premium).

- **Your plan pays 15% and Medicare pays 80%**

You pay 5%
In a Medicare Advantage Plan (private health plan) you generally must pay the Medicare Part B premium. Some Medicare Advantage Plans may also charge you an additional premium. In some cases, the plan may pay part of your Part B premium.

Medicare Advantage Plans may have a deductible for hospital visits, doctor visits, or prescription drugs, but some do not. Plans usually charge you a fixed copayment when you visit a doctor, instead of the 20% coinsurance you pay under Original Medicare.

All plans must include a limit on the amount of money you spend out-of-pocket during the year. **In 2018, the maximum out-of-pocket limit for most plans is $6,700.** They also cannot charge higher copayments than Original Medicare for certain care. This includes chemotherapy, dialysis, and skilled nursing facility (SNF) care. They can charge you more than Original Medicare for others services, including home health, durable medical equipment, and inpatient hospital services.

Many Medicare Advantage Plans have a network of doctors, hospitals, and pharmacies, and provide services only in a certain part of the country. **Be sure to always review the plan’s cost and coverage before enrolling!**

**Did You Know?**

Medicare Advantage Plans, sometime referred to as Part C, contract with the federal government and are paid a fixed amount per person to provide Medicare benefits. Plans must provide all Part A and Part B services offered by Original Medicare, but can do so with different rules, costs, and restrictions that can affect how and when you receive care.

Visit Medicare Interactive to learn more about Medicare Advantage.
Become Medicare Smart

Learn All About Medicare on Medicare Interactive Pro (MI PRO)

MI Pro is a web-based curriculum designed to empower any professional to better help their own clients, patients, employees, retirees, and others navigate a multitude of Medicare questions. MI Pro is structured as a four-level Core Curriculum, with four to five courses in each level.
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