

2022 Medicare Parts A & B Premiums and Deductibles/2022 Medicare Part D Income-Related Monthly Adjustment Amounts

On November 12, 2021, the Centers for Medicare & Medicaid Services (CMS) released the 2022 premiums, deductibles, and coinsurance amounts for the Medicare Part A and Part B programs, and the 2022 Medicare Part D income-related monthly adjustment amounts.

Medicare Part B Premium and Deductible

Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A.

Each year the Medicare Part B premium, deductible, and coinsurance rates are determined according to the Social Security Act. The standard monthly premium for Medicare Part B enrollees will be \$170.10 for 2022, an increase of \$21.60 from \$148.50 in 2021. The annual deductible for all Medicare Part B beneficiaries is \$233 in 2022, an increase of \$30 from the annual deductible of \$203 in 2021.

The increases in the 2022 Medicare Part B premium and deductible are due to:

- Rising prices and utilization across the health care system that drive higher premiums year-over-year alongside anticipated increases in the intensity of care provided.
- Congressional action to significantly lower the increase in the 2021 Medicare Part B premium, which resulted in the \$3.00 per beneficiary per month increase in the Medicare Part B premium (that would have ended in 2021) being continued through 2025.
- Additional contingency reserves due to the uncertainty regarding the potential use of the Alzheimer's drug, Aduhelm™, by people with Medicare. In July 2021, CMS began a National Coverage Determination analysis process to determine whether and how Medicare will cover Aduhelm™ and similar drugs used to treat Alzheimer's disease. As that process is still underway, there is uncertainty regarding the coverage and use of such drugs by Medicare beneficiaries in 2022. While the outcome of the coverage determination is unknown, our projection in no way implies what the coverage determination will be, however, we must plan for the possibility of coverage for this high cost Alzheimer's drug which could, if covered, result in significantly higher expenditures for the Medicare program.

Medicare Open Enrollment and Medicare Savings Programs

Medicare Open Enrollment for 2022 began on October 15, 2021, and ends on December 7, 2021. During this time, people eligible for Medicare can compare 2022 coverage options between Original Medicare, and Medicare Advantage, and Part D prescription drug plans. In addition to the recently released premiums and cost sharing information for 2022 Medicare Advantage and Part D plans, the Fee-for-Service Medicare premiums and cost sharing information released today will enable people with Medicare to understand all their Medicare coverage options for the year ahead. Medicare health and drug plan costs and covered benefits can change from year to year, so people with Medicare

should look at their coverage choices annually and decide on the options that best meet their health needs.

To help with their Medicare costs, low-income seniors and adults with disabilities may qualify to receive financial assistance from the Medicare Savings Programs (MSPs). The MSPs help millions of Americans access high-quality health care at a reduced cost, yet only about half of eligible people are enrolled. The MSPs help pay Medicare premiums and may also pay Medicare deductibles, coinsurance, and copayments for those who meet the conditions of eligibility. Enrolling in an MSP offers relief from these Medicare costs, allowing people to spend that money on other vital needs, including food, housing, or transportation. People with Medicare interested in learning more can visit: <https://www.medicare.gov/your-medicare-costs/get-help-paying-costs/medicare-savings-programs>.

Medicare Part B Income-Related Monthly Adjustment Amounts

Since 2007, a beneficiary’s Part B monthly premium is based on his or her income. These income-related monthly adjustment amounts affect roughly 7 percent of people with Medicare Part B. The 2022 Part B total premiums for high-income beneficiaries are shown in the following table:

Beneficiaries who file individual tax returns with modified adjusted gross income:	Beneficiaries who file joint tax returns with modified adjusted gross income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$91,000	Less than or equal to \$182,000	\$0.00	\$170.10
Greater than \$91,000 and less than or equal to \$114,000	Greater than \$182,000 and less than or equal to \$228,000	68.00	238.10
Greater than \$114,000 and less than or equal to \$142,000	Greater than \$228,000 and less than or equal to \$284,000	170.10	340.20
Greater than \$142,000 and less than or equal to \$170,000	Greater than \$284,000 and less than or equal to \$340,000	272.20	442.30
Greater than \$170,000 and less than \$500,000	Greater than \$340,000 and less than \$750,000	374.20	544.30
Greater than or equal to \$500,000	Greater than or equal to \$750,000	408.20	578.30

Premiums for high-income beneficiaries who are married and lived with their spouse at any time during the taxable year, but file a separate return, are as follows:

Beneficiaries who are married and lived with their spouses at any time during the year, but who file separate tax returns from their spouses, with modified adjusted gross income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$91,000	\$0.00	\$170.10
Greater than \$91,000 and less than \$409,000	374.20	544.30
Greater than or equal to \$409,000	408.20	578.30

Medicare Part A Premium and Deductible

Medicare Part A covers inpatient hospital, skilled nursing facility, hospice, inpatient rehabilitation, and some home health care services. About 99 percent of Medicare beneficiaries do not have a Part A premium since they have at least 40 quarters of Medicare-covered employment.

The Medicare Part A inpatient hospital deductible that beneficiaries pay if admitted to the hospital will be \$1,556 in 2022, an increase of \$72 from \$1,484 in 2021. The Part A inpatient hospital deductible covers beneficiaries' share of costs for the first 60 days of Medicare-covered inpatient hospital care in a benefit period. In 2022, beneficiaries must pay a coinsurance amount of \$389 per day for the 61st through 90th day of a hospitalization (\$371 in 2021) in a benefit period and \$778 per day for lifetime reserve days (\$742 in 2021). For beneficiaries in skilled nursing facilities, the daily coinsurance for days 21 through 100 of extended care services in a benefit period will be \$194.50 in 2022 (\$185.50 in 2021).

Part A Deductible and Coinsurance Amounts for Calendar Years 2021 and 2022 by Type of Cost Sharing		
	2021	2022
Inpatient hospital deductible	\$1,484	\$1,556
Daily coinsurance for 61 st -90 th Day	\$371	\$389
Daily coinsurance for lifetime reserve days	\$742	\$778
Skilled Nursing Facility coinsurance	\$185.50	\$194.50

Enrollees age 65 and over who have fewer than 40 quarters of coverage and certain persons with disabilities pay a monthly premium in order to voluntarily enroll in Medicare Part A. Individuals who had at least 30 quarters of coverage or were married to someone with at least 30 quarters of coverage may buy into Part A at a reduced monthly premium rate, which will be \$274 in 2022, a \$15 increase from 2021. Certain uninsured aged individuals who have less than 30 quarters of coverage and certain

individuals with disabilities who have exhausted other entitlement will pay the full premium, which will be \$499 a month in 2022, a \$28 increase from 2021.

For more information on the 2022 Medicare Parts A and B premiums and deductibles (CMS-8077-N, CMS-8078-N, CMS-8079-N), please visit <https://www.federalregister.gov/public-inspection>.

Medicare Part D Income-Related Monthly Adjustment Amounts

Since 2011, a beneficiary's Part D monthly premium is based on his or her income. These income-related monthly adjustment amounts affect roughly 8 percent of people with Medicare Part D. These individuals will pay the income-related monthly adjustment amount in addition to their Part D premium. Part D premiums vary from plan to plan and roughly two-thirds are paid directly to the plan, with the remaining deducted from Social Security benefit checks. The Part D income-related monthly adjustment amounts are all deducted from Social Security benefit checks. The 2022 Part D income-related monthly adjustment amounts for high-income beneficiaries are shown in the following table:

Beneficiaries who file individual tax returns with modified adjusted gross income:	Beneficiaries who file joint tax returns with modified adjusted gross income:	Income-related monthly adjustment amount
Less than or equal to \$91,000	Less than or equal to \$182,000	\$0.00
Greater than \$91,000 and less than or equal to \$114,000	Greater than \$182,000 and less than or equal to \$228,000	12.40
Greater than \$114,000 and less than or equal to \$142,000	Greater than \$228,000 and less than or equal to \$284,000	32.10
Greater than \$142,000 and less than or equal to \$170,000	Greater than \$284,000 and less than or equal to \$340,000	51.70
Greater than \$170,000 and less than \$500,000	Greater than \$340,000 and less than \$750,000	71.30
Greater than or equal to \$500,000	Greater than or equal to \$750,000	77.90

Premiums for high-income beneficiaries who are married and lived with their spouse at any time during the taxable year, but file a separate return, are as follows:

Beneficiaries who are married and lived with their spouses at any time during the year, but file separate tax returns from their spouses, with modified adjusted gross income:	Income-related monthly adjustment amount
Less than or equal to \$91,000	\$0.00

Greater than \$91,000 and less than \$409,000	71.30
Greater than or equal to \$409,000	77.90

Source:

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<https://www.cms.gov/newsroom/fact-sheets/2022-medicare-parts-b-premiums-and-deductibles2022-medicare-part-d-income-related-monthly-adjustment>