

FYI[®] Alert

For Your Information[®]

Celebrating
40
years of FYI[®]

CMS releases Medicare Part A and B values for 2020

CMS has announced the 2020 Medicare Part A and B premium, deductible, and coinsurance amounts. As in prior years, there are increases in these amounts. The 2020 Medicare Part D parameters were released earlier this year. (See our [June 17, 2019 FYI](#).)

Volume 42

Issue 96

November 13, 2019

Authors

Richard Stover, FSA,
MAAA

Leslye Laderman, JD, LLM

Medicare Part A

On November 8, the Centers for Medicare & Medicaid Services (CMS) released the Medicare Part A premium amounts and the deductible and coinsurance amounts for 2020. It also provided a fact sheet with additional information.

Premiums

Approximately 99% of Medicare beneficiaries do not pay a Part A premium because they have at least 40 quarters of Medicare-covered employment. For those individuals who pay a premium, the Medicare Part A premiums for the 12-month period beginning on January 1, 2020 are as follows:

Premium type	2020	2019	Change
Premium to purchase coverage for individuals not otherwise eligible for Medicare Part A and certain disabled individuals	\$458	\$437	4.8%
Premium for certain individuals entitled to a reduced monthly premium (who had at least 30 quarters or were married to someone with at least 30 quarters of Medicare-covered employment)	\$252	\$240	5.0%

Deductible and coinsurance amounts

The Medicare Part A deductible and coinsurance amounts for the 12-month period beginning on January 1, 2020 are as follows:

Deductible and coinsurance type	2020	2019	Change
Deductible for up to 60 days of Medicare-covered inpatient hospital care	\$1,408	\$1,364	3.2%
Daily coinsurance for 61 st through 90 th day of hospitalization	\$352	\$341	3.2%
Daily coinsurance for lifetime reserve days	\$704	\$682	3.2%
Daily coinsurance for 21 st through the 100 th day of extended care services in skilled nursing facility	\$176.00	\$170.50	3.2%

Medicare Part B

CMS also released a [notice](#) that sets out the Medicare Part B monthly premium rates and annual deductible amounts for 2020.

The standard monthly premiums for Medicare Part B for 2020 are as follows:

Premium type	2020	2019	Change
Standard monthly premium	\$144.60	\$135.50	6.7%

Some Part B enrollees benefit from a “hold harmless” provision that protects them from any increase in Part B premiums (typically deducted from Social Security checks) that would effectively reduce their monthly Social Security payments.

The following individuals are not protected by the “hold harmless” provision:

- New Medicare enrollees in 2020
- Higher-income Medicare beneficiaries
- Medicare beneficiaries dually eligible for Medicare and Medicaid
- Medicare Part B enrollees not receiving Social Security benefits

The 2020 Medicare Part B monthly premiums based on income tax filing status and income are:

Individual filing status*	Married filing jointly status*	2020 monthly premium	2019 monthly premium	Change
Income up to \$87,000	Income up to \$174,000	\$144.60	\$135.50	6.7%
\$87,001 - \$109,000	\$174,001 - \$218,000	\$202.40	\$189.60	6.8%
\$109,001 - \$136,000	\$218,001 - \$272,000	\$289.20	\$270.90	6.8%
\$136,001 - \$163,000	\$272,001 - \$326,000	\$376.00	\$352.20	6.8%
\$163,001 - \$499,999	\$326,001 - \$749,999	\$462.70	\$433.40	6.8%
\$500,000 or more	\$750,000 or more	\$491.60	\$460.50	6.8%

* Income ranges for 2019 and 2020 differ

Married filing separately, lived with spouse during tax year*	2020 monthly premium	2019 monthly premium	Change
Income up to \$87,000	\$144.60	\$135.50	6.7%
\$87,001 - \$412,999	\$462.70	\$433.40	6.8%
\$413,000 or more	\$491.60	\$460.50	6.8%

* Income ranges for 2019 and 2020 differ

Finally, the Medicare Part B annual deductible for the 12-month period beginning on January 1, 2020 is as follows:

Deductible type	2020	2019	Change
Medicare Part B	\$198	\$185	7.0%

Produced by the Knowledge Resource Center

The Knowledge Resource Center is responsible for national multi-practice compliance consulting, analysis and publications, government relations, research, surveys, training, and knowledge management. For more information, please contact your account executive.

You are welcome to distribute FYI® publications in their entirety. To manage your subscriptions, or to sign up to receive our mailings, visit our [Subscription Center](#).

This publication is for information only and does not constitute legal advice; consult with legal, tax and other advisors before applying this information to your specific situation.