

# FYI<sup>®</sup> Alert

## For Your Information<sup>®</sup>

### CMS releases 2021 Medicare Part A and B values

CMS has announced the 2021 Medicare Part A and B premium, deductible, and coinsurance amounts. As in prior years, there are increases in these amounts. The 2021 Medicare Part D parameters were released earlier this year. (See our [June 18, 2020 FYI](#).)

Volume 43

Issue 70

November 10, 2020

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### Medicare Part A

On November 6, the Centers for Medicare & Medicaid Services (CMS) released the Medicare Part A premium and the deductible and coinsurance amounts for 2021. It also provided a fact sheet with additional information.

### Premiums

Almost all 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, 2021 are as follows:

Premium type	2021	2020	Change
Premium to purchase coverage for individuals not otherwise eligible for Medicare Part A and certain disabled individuals	\$471	\$458	2.8%
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)	\$259	\$252	2.8%

## Deductible and coinsurance amounts

The Medicare Part A deductible and coinsurance amounts for the 12-month period beginning on January 1, 2021 are as follows:

Deductible and coinsurance type	2021	2020	Change
Deductible for up to 60 days of Medicare-covered inpatient hospital care	\$1,484	\$1,408	5.4%
Daily coinsurance for 61 <sup>st</sup> through 90 <sup>th</sup> day of hospitalization	\$371	\$352	5.4%
Daily coinsurance for lifetime reserve days	\$742	\$704	5.4%
Daily coinsurance for 21 <sup>st</sup> through the 100 <sup>th</sup> day of extended care services in skilled nursing facility	\$185.50	\$176.00	5.4%

## Medicare Part B

CMS also released a [notice](#) that sets out the Medicare Part B monthly premium rates and annual deductible amounts for 2021.

The standard monthly premiums for Medicare Part B for 2021 are as follows:

Premium type	2021	2020	Change
Standard monthly premium	\$148.50	\$144.60	2.7%

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 2021
- Higher income Medicare beneficiaries
- Medicare beneficiaries dually eligible for Medicare and Medicaid
- Medicare Part B enrollees not receiving social security benefits

The 2021 Medicare Part B monthly premiums based on income tax filing status and income are:

Individual filing status*	Married filing jointly status*	2021 monthly premium	2020 monthly premium	Change
Income up to \$88,000	Income up to \$176,000	\$148.50	\$144.60	2.7%
\$88,001 – \$111,000	\$176,001 – \$222,000	\$207.90	\$202.40	2.7%
\$111,001 – \$138,000	\$222,001 – \$276,000	\$297.00	\$289.20	2.7%
\$138,001 – \$165,000	\$276,001 – \$330,000	\$386.10	\$376.00	2.7%
\$165,001 – \$499,999	\$330,001 – \$749,999	\$475.20	\$462.70	2.7%
\$500,000 or more	\$750,000 or more	\$504.90	\$491.60	2.7%

\*Income ranges for 2020 and 2021 differ

Married filing separately, lived with spouse during tax year*	2021 monthly premium	2020 monthly premium	Change
Income up to \$88,000	\$148.50	\$144.60	2.7%
\$88,001 – \$411,999	\$475.20	\$462.70	2.7%
\$412,000 or more	\$504.90	\$491.60	2.7%

\*Income ranges for 2020 and 2021 differ

Finally, the Medicare Part B annual deductible for the 12-month period beginning on January 1, 2021 is as follows:

Deductible type	2021	2020	Change
Medicare Part B	\$203	\$198	2.5%

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