



Medicare Deductible, Coinsurance & Premium Rates: Calendar Year 2023 Update

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Related CR Title: Update to Medicare Deductible, Coinsurance and Premium Rates for Calendar Year (CY) 2023

Provider Types Affected

This MLN Matters Article is for physicians, other providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

Provider Action Needed

Make sure your billing staff knows about these Calendar Year (CY) 2023 rate changes:

- Medicare Part A and Medicare Part B deductible and coinsurance rates
- Part A and Part B premium amounts

Background

Patients using covered Part A and Part B services may be subject to deductible and coinsurance requirements. Medicare subtracts an inpatient hospital deductible amount from the amount payable to the hospital for inpatient hospital services it provides in a spell of illness.

When a patient gets such services for more than 60 days during a spell of illness, they're responsible for a coinsurance amount equal to one-fourth of the inpatient hospital deductible for each day of days 61-90 spent in the hospital. A patient has 60 lifetime reserve days of coverage, which they may use after day 90 in a spell of illness. The coinsurance amount for these days is equal to one-half of the inpatient hospital deductible.

A patient is responsible for a coinsurance amount equal to one-eighth of the inpatient hospital deductible per day for days 21-100 of skilled nursing facility (SNF) services provided during a spell of illness.

Most individuals age 65 and older, and many disabled individuals under age 65, have Part A benefits without a premium payment. The Social Security Act states that certain aged and disabled persons who aren't insured may voluntarily enroll but must pay a monthly premium.

Since 1994, voluntary enrollees may qualify for a reduced premium if they have 30-39 quarters of covered employment. When voluntary enrollment takes place more than 12 months after a person's initial enrollment period, Medicare adds a 10% penalty for 2 years for every year they could have enrolled, but didn't enroll in Part A.

Under Part B, all enrollees pay a monthly premium. Most Supplementary Medical Insurance (SMI) services are subject to an annual deductible and coinsurance, which are set by statute. When Part B enrollment takes place more than 12 months after a person's initial enrollment period, there's a permanent 10% increase in the premium for each year the patient could have enrolled, but didn't.

2023 Part A – Hospital Insurance (HI)

Part A Deductible - \$1,600.00

Part A Coinsurance

- \$400.00 a day for days 61-90
- \$800.00 a day for days 91-150 (lifetime reserve days)
- \$200.00 a day for days 21-100 (SNF coinsurance)

Part A Base Premium (BP) - \$506.00 a month

Part A BP with 10% surcharge - \$556.60 a month

Part A BP with 45% reduction - \$278.00 a month (for those who have 30-39 quarters of coverage)

Part A BP with 45% reduction and 10% surcharge - \$305.80 a month

2023 Part B – SMI

Part B Standard Premium - \$164.90 a month

Part B Deductible - \$226.00 a year

Pro Rata Data Amount

- \$154.95 - Month 1

- \$71.05 - Month 2

Coinsurance – 20%

More Information

We issued [CR 12903](#) to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
October 13, 2022	Initial article released.

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