

Medicare Costs in 2016

Hospital Insurance (Part A) Costs

Part A Premium:	\$0 if you've worked 10 years or more \$226 per month if you've worked between 7.5 to 10 years \$411 per month if you've worked fewer than 7.5 years
Part A Hospital Deductible:	\$1,288 each benefit period
Part A Hospital Coinsurance:	\$0 for the first 60 days of inpatient care each benefit period \$322 per day for days 61 - 90 each benefit period \$644 per lifetime reserve day after day 90 in a benefit period (You have 60 lifetime reserve days that can only be used once. They're
Skilled Nursing Facility Coinsurance:	\$0 for the first 20 days of inpatient care each benefit period, after a minimum 3-day inpatient hospital stay \$161/day for days 21-100 each benefit period

Medical Insurance (Part B)

Part B Premium:	\$104.90 for most people, just like in 2015, due to "hold harmless protection" (see terms on next page) \$121.80 for people who are new to Medicare with an annual income below \$85,000 for singles and \$170,000 for couples
Part B Deductible:	\$166 per year
Part B Coinsurance:	20 percent or most services Part B covers

Where to Go for Help

Your State Health Insurance Assistance Program (SHIP) can help you understand your health care costs based upon your Medicare coverage and individual circumstances. Your Senior Medicare Patrol (SMP) can help you understand if charges appearing on bills and statements are legitimate. SHIP and SMP contact information is on the next page.

You can also call 1-800-Medicare, call your plan, or visit www.medicare.gov for more information about your Medicare benefits and costs.

Prescription Drug Coverage (Part D)

Part D Premiums:	Average is \$34.10 per month (varies by plan)
Deductible Maximum:	Up to \$360 per year (varies by plan)
Part D Coverage Gap Threshold:	\$3,310 (When you and your plan together have spent this much on covered drugs since the start of the year.)
Part D Catastrophic Coverage Limit:	\$4,850 (You enter the catastrophic coverage stage when you have spent this much out-of-pocket since the start of the year. This doesn't include what the plan has paid toward your drugs.)

Terms to Know About Medicare Costs

Premium: The monthly amount you pay to have health insurance.

Deductible: The amount you must spend on health care or drugs before your insurance begins to pay.

Coinsurance / Copayment: The amount you must pay for each service or item.

- A **coinsurance** is a percentage of the total cost.
- A **copayment** or **copay** is a fixed amount.

Hold Harmless Protection: The Social Security Administration previously announced there will no Social Security Cost of Living Adjustment (COLA) for 2016. As a result, most people with Medicare Part B will be "held harmless" from any 2016 increase in premiums. and will pay the same monthly premium as last year.

Benefit Period: Begins when you are admitted as an inpatient and ends when you haven't received any inpatient care for 60 days in a row (see the Medicare & You handbook for more details about this and other Medicare terms).

Local SHIP Contact Information

SHIP: 1-800-243-5463 or 256-355-4515

Serving Cullman, Lawrence and Morgan County

NARCOG – www.narcog.org

To find a SHIP in another state: Call 877-839-2675 or visit www.shiptacenter.org

Local SMP Contact Information

SMP: 256-830-0818

SMP website: www.AlabamaSMP.gov

To find an SMP in another state: Call 877-808-2468 or visit www.smpresource.org

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SHIP National Technical Assistance Center: 877-839-2675 | www.shiptacenter.org | info@shiptacenter.org

SMP National Resource Center: 877-808-2468 | www.smpresource.org | info@smpresource.org

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