

# Medicare Costs

## Your Monthly Premiums for Medicare

### Part A (Hospital Insurance) Monthly Premium

Most people don't pay a Part A [premium](#) because they paid Medicare taxes while working.

In 2010, you pay up to \$461 each month if you don't get premium-free Part A. If you pay a late enrollment penalty, this amount is higher.

### Part B (Medical Insurance) Monthly Premium (See page 21.)

If Your Yearly Income in 2008 was		You Pay
File Individual Tax Return	File Joint Tax Return	
\$85,000 or below	\$170,000 or below	\$110.50*
\$85,001–\$107,000	\$170,001–\$214,000	\$154.70
\$107,001–\$160,000	\$214,001–\$320,000	\$221.00
\$160,001–\$214,000	\$320,001–\$428,000	\$287.30
above \$214,000	above \$428,000	\$353.60

\* Most people will continue to pay the 2009 Part B premium of \$96.40 in 2010. If you have questions about your Part B premium, call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.

**Note:** If you don't get Social Security, RRB, or Civil Service benefit payments and choose to sign up for Part B, you will get a bill. If you choose to buy Part A, you will always get a bill for your premium. You can mail your premium payments to the Medicare Premium Collection Center, P.O. Box 790355, St. Louis, MO 63179-0355. If you get a bill from the RRB, mail your premium payments to RRB, Medicare Premium Payments, P.O. Box 9024, St. Louis, MO 63197-9024.

### Part C and Part D (Medicare Health and Prescription Drug Plan) Monthly Premium

Contact the plans you're interested in for the actual plan premium. You also pay the Part B premium (and Part A if you don't get it premium-free).

## What you pay if you have Original Medicare

### Part A Costs for Covered Services and Items

<b>Blood</b>	<p>In most cases, the hospital gets blood from a blood bank at no charge, and you won't have to pay for it or replace it. If the hospital has to buy blood for you, you must either pay the hospital costs for the first 3 units of blood you get in a calendar year or have the blood donated.</p>
<b>Home Health Care</b>	<p><b>You pay:</b></p> <ul style="list-style-type: none"> <li>▪ \$0 for home health care services</li> <li>▪ 20% of the <a href="#">Medicare-approved amount</a> for durable medical equipment</li> </ul>
<b>Hospice Care</b>	<p><b>You pay:</b></p> <ul style="list-style-type: none"> <li>▪ \$0 for hospice care</li> <li>▪ A <a href="#">copayment</a> of up to \$5 per prescription for outpatient prescription drugs for pain and symptom management</li> <li>▪ 5% of the Medicare-approved amount for inpatient respite care (short-term care given by another caregiver, so the usual caregiver can rest)</li> </ul> <p>Medicare doesn't cover room and board when you get hospice care in your home or another facility where you live (like a nursing home).</p>
<b>Hospital Stay</b>	<p><b>In 2010, you pay:</b></p> <ul style="list-style-type: none"> <li>▪ \$1,100 <a href="#">deductible</a> and no <a href="#">coinsurance</a> for days 1–60 each <a href="#">benefit period</a></li> <li>▪ \$275 per day for days 61–90 each benefit period</li> <li>▪ \$550 per “<a href="#">lifetime reserve day</a>” after day 90 each benefit period (up to 60 days over your lifetime)</li> <li>▪ All costs for each day after the lifetime reserve days</li> <li>▪ Inpatient mental health care in a psychiatric hospital limited to 190 days in a lifetime</li> </ul> <p>See “Medical and Other Services” on page 121 for what you pay for doctor services while you are a hospital inpatient.</p>
<b>Skilled Nursing Facility Stay</b>	<p><b>In 2010, you pay:</b></p> <ul style="list-style-type: none"> <li>▪ \$0 for the first 20 days each benefit period</li> <li>▪ \$137.50 per day for days 21–100 each benefit period</li> <li>▪ All costs for each day after day 100 in a benefit period</li> </ul>

**Note:** If you are in a Medicare Advantage Plan, costs vary by plan and may be either higher or lower than those noted above. Check with your plan.

## What you pay if you have Original Medicare (continued)

### Part B Costs for Covered Services and Items

<b>Part B Deductible</b>	<b>In 2010, you pay</b> the first \$155 yearly for Part B-covered services or items.
<b>Blood</b>	In most cases, the provider gets blood from a blood bank at no charge, and you won't have to pay for it or replace it. However, you will pay a <b>copayment</b> for the blood processing and handling services for every unit of blood you get, and the Part B <b>deductible</b> applies. If the provider has to buy blood for you, you must either pay the provider costs for the first 3 units of blood you get in a calendar year or have the blood donated by you or someone else.  You pay a copayment for additional units of blood you get as an outpatient (after the first 3), and the Part B deductible applies.
<b>Clinical Laboratory Services</b>	<b>You pay</b> \$0 for Medicare-approved services.
<b>Home Health Services</b>	<b>You pay</b> \$0 for Medicare-approved services. You pay 20% of the <b>Medicare-approved amount</b> for durable medical equipment.
<b>Medical and Other Services</b>	<b>You pay</b> 20% of the Medicare-approved amount for most doctor services (including most doctor services while you are a hospital inpatient), outpatient therapy*, most preventive services, and durable medical equipment.
<b>Mental Health Services</b>	<b>You pay</b> 45% of the Medicare-approved amount for most outpatient mental health care.
<b>Other Covered Services</b>	<b>You pay</b> copayment or <b>coinsurance</b> amounts.
<b>Outpatient Hospital Services</b>	<b>You pay</b> a coinsurance or copayment amount that varies by service for each individual outpatient hospital service. No copayment for a single service can be more than the amount of the inpatient hospital deductible.

\*In 2010, there may be limits on physical therapy, occupational therapy, and speech-language pathology services. If so, there may be exceptions to these limits.

**Note:** All Medicare Advantage Plans must cover these services. Costs vary by plan and may be either higher or lower than those noted above. Check with your plan.

### Part C and Part D (Medicare Health and Prescription Drug Plans) Costs for Covered Services and Supplies

Cost information for the [Medicare plans](#) in your area is available by visiting [www.medicare.gov](http://www.medicare.gov). You can also contact the plan, or call 1-800-MEDICARE (1-800-633-4227). [TTY](#) users should call 1-877-486-2048. You can also call your State Health Insurance Assistance Program (SHIP). See pages 110–113 for the telephone number. Medicare Advantage Plans (like an HMO or PPO) must cover all Part A and Part B-covered services and supplies. Check your plan's materials for actual amounts.

**The figures below are used to estimate the Part D late enrollment penalty.** The national base beneficiary [premium](#) amount can change each year. For more information about estimating your penalty amount, see page 67.

	<b>2010</b>
Part D National Base Beneficiary Premium	\$31.94
1% Penalty Calculation	\$.32



Medicare cares about what you think. If you have general comments about this handbook, call 1-800-MEDICARE or email us at [medicareandyou@cms.hhs.gov](mailto:medicareandyou@cms.hhs.gov). We won't be able to respond to your comments about the handbook, but we will consider your feedback when writing future versions.

## Using Computers to Manage Your Health Information

You can help manage your health information and improve how you communicate with your doctors and other health care providers by using a computer. Computers can also help you get and share access to your health information like never before. This technology (also called Health Information Technology or Health IT) reduces paperwork, medical errors, and health care costs and can also help improve your quality of care.



**Electronic Health Records (EHRs)**—An EHR is a record with important information about your health and treatment (like lab reports) that are maintained and used by **your doctor**, your doctor's staff, or a hospital.

- EHRs can help all of your providers have the same information about your conditions, treatments, tests, and prescriptions.
- EHRs can help lower the chances of medical errors and can help improve your overall quality of care.



**Personal Health Records (PHRs)**—A PHR is a record with information about your health that **you** maintain and keep for easy reference.

- These easy-to-use online tools can help you manage your health information from anywhere you have internet access.
- With a PHR, you can keep track of health information, like the date of your last physical, major illnesses, operations, allergies, or a list of your medicines.
- PHRs are often offered by providers, health plans, and private companies. Some are free, while others charge a monthly or annual fee.

Visit [www.medicare.gov/phr](http://www.medicare.gov/phr) to learn more.

**Electronic Prescribing (E-Prescribing)**—A way for your prescribers (your doctor or other health care provider who is legally allowed to write prescriptions) to send your prescriptions to your pharmacy using a secure computer.

- E-prescribing lets your prescribers send secure electronic prescriptions directly to your pharmacy, instead of writing prescriptions on paper.
- E-prescribing helps to avoid harmful drug interactions and allows your prescriber to see what drugs your plan offers, including lower-cost generics.

Ask your prescribers if they e-prescribe.

There are strict rules about protecting the privacy and security of electronic information. When you use a secure Web site, you usually have to create a unique user ID and password, and the information you type is encrypted (put in code) so other people can't read it. More work is being done to make sure that this new technology is even more secure.



**U.S. DEPARTMENT OF  
HEALTH AND HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850

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- Also available in Spanish, Braille, Audiotape, and Large Print (English and Spanish).
- Suspect fraud? Call the Inspector General's hotline at 1-800-HHS-TIPS (1-800-447-8477). TTY users should call 1-800-377-4950.
- New address? Call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.
- ¿Necesita usted una copia de este manual en Español? Llame GRATIS al 1-800-MEDICARE (1-800-633-4227). Los usuarios de TTY deberán llamar al 1-877-486-2048.



[www.medicare.gov](http://www.medicare.gov)  
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