



# What Will You Pay for Medicare in 2017?



The Centers for Medicare & Medicaid Services (CMS) has announced that in 2017, most Medicare beneficiaries (about 70%) will pay \$109 per month on average for Medicare Part B. This is up from the \$104.90 monthly Part B premium that has been in effect since 2013.

If you fall into this group, you face only a modest Part B premium increase in 2017 because your Part B premium is deducted from your Social Security benefit, and you will be receiving only a small Social Security cost-of-living increase next year (0.3%). Due to a provision in the Social Security Act called the "hold harmless" rule, Medicare premiums for existing beneficiaries can't increase faster than their Social Security benefits. Because your Medicare premium increase is based on your actual Social Security benefit, you may pay more or less than the \$109 average premium. The Social Security Administration (SSA) will tell you the exact amount of your Part B premium in 2017.

Approximately 30% of Medicare beneficiaries are not subject to this provision, and may pay substantially more for Medicare Part B. You fall into this group if:

- You enroll in Part B for the first time in 2017.
- You don't get Social Security benefits.
- You have Medicare and Medicaid, and Medicaid pays your premiums.
- Your modified adjusted gross income as reported on your federal income tax return from two years ago is above a certain amount.\*

The table below shows the Part B premium you'll pay next year if you're in this group.

Beneficiaries who file an individual income tax return with income that is:	Beneficiaries who file a joint income tax return with income that is:	Beneficiaries who file an income tax return as married filing separately with income that is:	Monthly premium in 2016:	Monthly premium in 2017:
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$121.80	\$134
Above \$85,000 up to \$107,000	Above \$170,000 up to \$214,000	N/A	\$170.50	\$187.50
Above \$107,000 up to \$160,000	Above \$214,000 up to \$320,000	N/A	\$243.60	\$267.90
Above \$160,000 up to \$214,000	Above \$320,000 up to \$428,000	Above \$85,000 up to \$129,000	\$316.70	\$348.30
Above \$214,000	Above \$428,000	Above \$129,000	\$389.80	\$428.60

\*Beneficiaries with higher incomes have paid higher Medicare Part B premiums since 2007. To determine if you're subject to income-related premiums, the SSA uses the most recent federal tax return provided by the IRS. Generally, the tax return you filed in 2016 (based on 2015 income) will be used to determine if you will pay an income-related premium in 2017. You can contact the SSA at (800) 772-1213 if you have new information to report that might change the determination and lower your premium (you lost your job and

*For more information on costs and benefits related to Social Security and Medicare, visit [Socialsecurity.gov](http://Socialsecurity.gov) and [Medicare.gov](http://Medicare.gov).*

your income has gone down or you've filed an amended income tax return, for example).

## Changes to other Medicare costs

Other Medicare Part A and Part B costs will change in 2017, including the following:

- The annual Medicare Part B deductible for Original Medicare will be \$183, up from \$166 in 2016.
- The monthly Medicare Part A (Hospital Insurance) premium for those who need to buy coverage will cost up to \$413, up from \$411 in 2016. However, most people don't pay a premium for Medicare Part A.
- The Medicare Part A deductible for inpatient hospitalization will be \$1,316, up from \$1,288 in 2016. Beneficiaries will pay an additional daily co-insurance amount of \$329 for days 61 through 90, up from \$322 in 2016, and \$658 for stays beyond 90 days, up from \$644 in 2016.
- Beneficiaries in skilled nursing facilities will pay a daily co-insurance amount of \$164.50 for days 21 through 100 in a benefit period, up from \$161 in 2016.

To view the Medicare fact sheet announcing these and other figures, visit [Medicare.gov](http://Medicare.gov).

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