

# Issue Brief

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## CMS Issues Parts A & B Copays and Deductibles Updates For CY 2023

The Centers for Medicare and Medicaid Services (CMS) have released three notices containing the Parts A & B coinsurance (copays) and deductible amounts for CY 2023. The 3 notices are scheduled for publication in the *Federal Register* on September 29. The effective date for the changes is January 1, 2023.

### Part A

The CY 2023, inpatient hospital deductible will be **\$1,600**, an increase of \$44 from

the current deductible of \$1,556. The daily coinsurance amounts for CY 2023 will be: \$400 for the 61st through 90th day of hospitalization in a benefit period; \$800 for lifetime reservedays; and \$200 for the 21st through 100th day of extended care services in a skilled nursing facility in a benefit period.

The following table summarizes the deductible and coinsurance amounts for CYs 2022 and 2023, as well as the number of each that is estimated to be paid.

### Medicare Part A Deductible and Coinsurance Amounts for CYs 2022 and 2023

Type of Cost Sharing	Value		Number paid (in millions)	
	2022	2023	2022	2023
Inpatient hospital deductible	\$1,556	\$1,600	5.41	5.90
Daily coinsurance for 61st - 90th day	\$389	\$400	1.32	1.43
Daily coinsurance for lifetime reserve days	\$778	\$800	0.67	0.73
SNF coinsurance	\$194.50	\$200	28.38	27.93

The estimated total increase in costs to beneficiaries is about \$1,210 million (rounded to the nearest \$10 million) due to: (1) the increase in the deductible and coinsurance amounts; and (2) the increase in the number of deductibles and daily coinsurance amounts paid. CMS determines the increase in cost to beneficiaries by calculating the difference between the 2022 and 2023 deductible and coinsurance amounts multiplied by the estimated increase in the number of deductible and coinsurance amounts paid.

### Part B

The monthly actuarial rates for 2023 are \$323.70 for aged enrollees and \$357.90 for disabled enrollees. The standard monthly Part B premium rate for all enrollees for 2023 is **\$164.90**, which is equal to 50 percent of the monthly actuarial rate for aged enrollees (or approximately 25 percent of the expected average total cost of Part B coverage for aged enrollees) plus the \$3.00 repayment amount required under current law. (The 2022 standard premium rate was \$170.10, which included the \$3.00 repayment amount.) The Part B deductible for 2023 is \$226.00

4712 Country Club Drive  
Jefferson City, Mo. 65109

P.O. Box 60  
Jefferson City, Mo. 65102

573/893-3700  
www.mhanet.com



for all Part B beneficiaries. If a beneficiary has to pay an income-related monthly adjustment amount, that individual will have to pay a total monthly premium of about 35, 50, 65, 80, or 85 percent of the total cost of Part B coverage plus a repayment amount of \$4.20, \$6.00, \$7.80, \$9.60, or \$10.20, respectively. Beginning in 2023, certain Medicare enrollees who are 36 months post kidney transplant, and therefore are no longer eligible for full Medicare coverage, can elect to continue Part B coverage of immunosuppressive drugs by paying a premium. For 2023, the immunosuppressive drug premium is \$97.10.

The following are the 2023 Part B monthly premium rates to be paid by (or on behalf of) beneficiaries who file either individual tax returns (and are single individuals, heads of households, qualifying widows or widowers with dependent children, or married individuals filing separately who lived apart from their spouses for the entire taxable year) or joint tax returns.

<b>Full Part B Coverage</b>			
Beneficiaries who file individual tax returns with income:	Beneficiaries who file joint tax returns with income:	Income- related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$97,000	Less than or equal to \$194,000	\$0.00	\$164.90
Greater than \$97,000 and less than or equal to \$123,000	Greater than \$194,000 and less than or equal to \$246,000	\$65.90	\$230.80
Greater than \$123,000 and less than or equal to \$153,000	Greater than \$246 and less than or equal to \$306,000	\$164.80	\$329.70
Greater than \$153,000 and less than or equal to \$183,000	Greater than \$306,000 and less than or equal to \$366,000	\$263.70	\$428.60
Greater than \$183,000 and less than \$500,000	Greater than \$366,000 and less than \$750,000	\$362.60	\$527.50
Greater than or equal to \$500,000	Greater than or equal to \$750,000	\$395.60	\$560.50

In addition, the monthly premium rates to be paid by (or on behalf of) beneficiaries who are married and lived with their spouses at any time during the taxable year, but who file separate tax returns from their spouses, are as follows:

<b>Full Part B Coverage</b>		
Beneficiaries who are married and lived with their spouses at any time during the year, but who file separate tax returns from their spouses:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$97,000	\$0.00	\$164.90
Greater than \$97,000 and less than \$403,000	\$362.60	\$527.50
Greater than or equal to \$403,000	\$395.60	\$560.50

The monthly premium rates to be paid by (or on behalf of) beneficiaries with immunosuppressive drug only Part B coverage who are married and lived with their spouses at any time during the taxable year, but who file separate tax returns from their spouses, are as follows:

<b>Part B Immunosuppressive Drugs Only</b>			
<b>Beneficiaries who file individual tax returns with income:</b>	<b>Beneficiaries who file joint tax returns with income:</b>	<b>Income- related monthly adjustment amount</b>	<b>Total monthly premium amount</b>
Less than or equal to \$97,000	Less than or equal to \$194,000	\$0.00	\$97.10
Greater than \$97,000 and less than or equal to \$123,000	Greater than \$194,000 and less than or equal to \$246,000	\$64.70	\$162.80
Greater than \$123,000 and less than or equal to \$153,000	Greater than \$246 and less than or equal to \$306,000	\$161.80	\$258.90
Greater than \$153,000 and less than or equal to \$183,000	Greater than \$306,000 and less than or equal to \$366,000	\$258.90	\$356.00
Greater than \$183,000 and less than \$500,000	Greater than \$366,000 and less than \$750,000	\$356.00	\$433.10
Greater than or equal to \$500,000	Greater than or equal to \$750,000	\$388.40	\$485.50

### **Part B Deductible**

The Part B annual deductible for 2023 is **\$226.00** for all beneficiaries.

### ***CY 2023 Part A Premiums for the Uninsured Aged and for Certain Disabled Individuals Who Have Exhausted Other Entitlement***

#### **Monthly Premium Amount for CY 2023**

The monthly premium for the uninsured aged and certain individuals with disabilities who have exhausted other entitlement for the 12 months beginning January 1, 2023, is \$506. The monthly premium for the individuals eligible under section 1818(d)(4)(B) of the Act, and therefore, subject to the 45 percent reduction in the monthly premium, is \$278.

*Analysis provided for MHA  
by Larry Goldberg,  
Goldberg Consulting*