

Medicare Parts A and B

Consider What Medicare Does and Does Not Cover

Medicare is a health insurance program operated by the federal government. Benefits are available to qualifying individuals age 65 or older, certain disabled individuals under age 65, and those suffering from end-stage renal disease. The traditional Medicare program consists of two main parts: Part A, Hospital Insurance and Part B, Medical Insurance. There are clearly defined limits as to what original Medicare will, and will not, pay.

Medicare (Part A) 2025 Hospital Insurance Covered Services per Benefit Period

Service	Benefit	Medicare Pays	You Pay
Hospitalization: Semiprivate room and board, general nursing and miscellaneous hospital services and supplies. Includes meals, special care units, drugs, lab tests, diagnostic X-rays, medical supplies, operating and recovery room, anesthesia and rehabilitation services.	Medicare pays all covered costs for first 60 days, except the first \$1,676. For the 61st through 90th days, it pays all except \$419 a day. There are also 60 nonrenewable reserve days that can be used when the 90 days are past. Medicare pays all except the first \$838 for each reserve day.		
Post-hospital skilled nursing facility care (in a facility approved by Medicare): You must have been in a hospital for at least three days in a row and enter the facility within 30 days after having been discharged from the hospital.	First 20 days.	All costs.	Nothing.
	Next 80 days.	All but \$204.00	\$209.50 per day
	Medicare and private insurance will not pay for most nursing home care, and you pay for custodial long-term care.		
Home health care: Post-institutional care. You must have been in a hospital for at least three days in a row or have been in a skilled nursing facility following a hospital stay.	Pays the cost of 100 home visits, if made under a physician's treatment plan.	Full cost.	Nothing for services; 20% of approved amount for durable medical equipment.
Hospice care: May exceed the 210 days of care if recertified as terminally ill.	Two 90-day periods and one 30-day period.	All but limited costs for outpatient drugs and inpatient respite care.	Limited cost sharing for outpatient drugs and inpatient respite care.
Blood.	Blood.	All but first three pints.	For first three pints.

Medicare Parts A and B

Medicare (Part B) 2025 Medical Insurance Covered Services per Calendar Year Standard Monthly Premium: \$185.00

Service	Benefit	Medicare Pays	You Pay ¹
Medical expense: Doctor's services, inpatient and outpatient medical services and supplies, physical and speech therapy, ambulance, etc.	Medicare pays for medical services in or out of hospital. Some insurance policies pay less (or nothing) for hospital outpatient medical services in a doctor's office.	80% of approved amount (after \$257.00 deductible). 50% of approved charges for most outpatient mental health services.	\$257.00 deductible ² plus 20% of approved amount and limited charges above approved amount. ³ 50% of approved charges for mental health services.
Home health care⁴.	Unlimited, if made under a physician's treatment plan.	Full cost.	Nothing for services; 20% of approved amount for durable medical equipment.
Outpatient hospital treatment.	Unlimited if medically necessary.	80% of approved amount (after \$257.00 deductible).	\$257.00 deductible ¹ plus 20% of balance of approved amount.
Blood: Any blood deductibles satisfied under Part B will reduce the blood deductible requirements.	Blood.	80% of approved amount (after first three pints).	\$257.00 deductible ¹ plus first three pints plus 20% of balance of approved amount.

Note: If the period of hospitalization covers two calendar years, no new deductible is required for the new year. These figures are for 2025 and are subject to change each year.

¹ You pay for charges higher than the amount approved by Medicare unless the doctor or supplier agrees to accept Medicare's approved amount as the total charge for services rendered.

² Once you have had \$257.00 of expense for covered services in 2025, the Part B deductible does not apply to any further covered services you receive the rest of the year.

³ Federal law limits charges for physician services.

⁴ Home health care is provided under Part B only if not covered under Part A.

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Part B Premium for Certain Beneficiaries

Pursuant to one provision of the Bipartisan Budget Act of 2015, certain Medicare beneficiaries will pay a higher Part B premium in 2025. The minimum premium for those in this group will be \$185.00. Individuals in this group include:

- Medicare beneficiaries not receiving Social Security benefits.
- Those who enroll in Part B for the first time in 2025.
- Those who have both Medicare and Medicaid, and Medicaid pays the Medicare premiums.
- Those whose income in 2023 exceeded certain limits. The *total* premium for those in this group will also include an income-related monthly adjustment amount. Based on their filing status and income.¹

The table below shows the 2025 Individual Part B premiums for Medicare beneficiaries.

Unmarried Individuals	Married Filing Jointly	Monthly Premium
Equal to or less than \$106,000	Equal to or less than \$212,000	\$185.00
\$106,001 to \$133,000	\$212,001 to \$266,000	\$259.00
\$133,001 to \$167,000	\$266,001 to \$334,000	\$370.00
\$167,001 to \$200,000	\$334,001 to \$400,000	\$480.90
\$200,001 to \$499,999	\$400,001 to \$749,999	\$591.90
Greater than or equal to \$500,000	Greater than or equal to \$750,000	\$628.80

Married Filing Separately	Monthly Premium
Equal to or less than \$106,000	\$185.00
\$106,001 to \$393,999	\$591.90
Greater than or equal to \$394,000	\$628.80

¹ The measure used is modified adjusted gross income. Generally adjusted gross income plus any tax free interest or any excluded foreign earned income. An appeals process is available in case of a major life change such as the death of a spouse, divorce, or marriage.

Getting Help Deciding

A number of resources are available to help Medicare beneficiaries answer questions about Medicare, including:

- **Medicare:** Medicare can be reached online at <https://www.medicare.gov/> By phone, Medicare can be reached at (800) 633-4227. TTY users can call (877) 486-2048. An individual can also write to Medicare at PO Box 1270, Lawrence KS 66044.
- **State Health Insurance Assistance Programs (SHIP):** SHIPS are state-run programs that receive money from the federal government to provide free, personalized counseling. The telephone number and website for a state's SHIP program can be found on the web at <https://www.shiphelp.org> and also in the Medicare publication, *Medicare and You 2024*.

Disclosure Notice

The information that follows is intended to serve as a basis for further discussion with your financial, legal, tax and/or accounting advisors. It is not a substitute for competent advice from these advisors. The actual application of some of these concepts may be the practice of law and is the proper responsibility of your attorney. The application of other concepts may require the guidance of a tax or accounting advisor. The company or companies listed below are not authorized to practice law or to provide legal, tax, or accounting advice.

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If a numerical analysis is shown, the results are neither guarantees nor projections, and actual results may differ significantly. Any assumptions as to interest rates, rates of return, inflation, or other values are hypothetical and for illustrative purposes only. Rates of return shown are not indicative of any particular investment, and will vary over time. Any reference to past performance is not indicative of future results and should not be taken as a guaranteed projection of actual returns from any recommended investment.