

Medicare Minute Script – January 2018 What's New in 2018

Your Medicare coverage can change each year, so it is important to understand and review your benefits.

Point 1: Understand your Part B costs in 2018.

Part B premium: The Part B base premium in 2018 is \$134, the same as it was in 2017. While most people will pay \$134, there are some reasons your Part B premium might be different. Your premium may be higher if your income is more than \$85,000 a year as an individual or \$170,000 as a couple. Your premium might be lower than \$134 if you are protected by what is called the hold harmless provision. The hold harmless provision means that your Social Security benefits cannot go down from year to year because of an increase in the Part B premium. Most people have the Part B premium deducted from their Social Security benefits. This year, the Social Security cost of living adjustment is 2%, which is higher than past years. However, if you did not pay \$134 for Part B in 2017, part or all of your cost of living adjustment will go toward paying the increase to your Part B premium. If your Part B premium increase is *more* than the dollar amount of the cost of living adjustment to your Social Security Award, your premium will only increase by the same dollar amount as your Social Security cost of living adjustment. You should look at your Social Security statement for personalized benefit and Part B premium information.

Part B deductible and coinsurance: If you have Original Medicare, you will pay a Part B deductible of \$183 in 2018, the same deductible as 2017. You will continue to pay a 20% coinsurance for most services covered by Part B. The amount you pay for Medicare Advantage Plan deductibles, copayments, and/or coinsurances varies by plan.

Point 2: Review your Medicare Part A and Part D costs, benefits, and any changes in 2018.

Medicare Part A costs will change slightly in 2018. The inpatient hospital deductible increases from \$1,316 in 2017 to \$1,340 in 2018. The coinsurance for days 21 through 100 of Medicare-covered skilled nursing facility stays goes up from \$164.50 per day in 2017 to \$167.50 in 2018.

Part D prescription drug plan premiums will average \$35.02 in 2018. Your portion of the costs for covered drugs vary by plan and by coverage period.

Your deductible period is the period when you pay the full cost of your drugs until you meet the deductible. While plan deductibles vary, no plan's deductible in 2018 can be higher than \$405.

Your initial coverage period begins after you meet your deductible, if your plan has one. During this period, you will have a copayment and your plan will pay the remaining costs. In 2018, most plans' initial coverage period ends after you have accumulated \$3,750 in total drug costs.

The donut hole – also called the coverage gap – follows the initial coverage period. When you are in the donut hole, your plan pays a smaller portion of your drug costs and you pay a higher portion. For most plans, this begins when you and your plan together have paid \$3,750 for your covered drugs. It ends when you have spent \$5,000 out of your pocket on covered drugs for the year. (Premium costs are not counted.)

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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Catastrophic coverage begins after you have spent \$5,000 out of pocket on covered drugs for the year. After that, in 2018, you will pay 5% of the cost of each drug, or \$3.35 for generics and \$8.35 for brand-name drugs—whichever is greater.

Point 3: Know your opportunities to change coverage in 2018.

If you are unhappy with your Medicare Advantage Plan, you have between January 1 and February 14 to dis-enroll in that plan and switch to Original Medicare. During this time period, you can also enroll in a stand-alone Part D plan. You cannot switch from one Medicare Advantage or Part D Plan to another during this time period. If certain events happen in your life, however, like if you move or you lose other insurance coverage, you may be able to switch plans. If such an event occurs or if you have questions about your 2018 Medicare costs, contact your State Health Assistance Program (SHIP). SHIP provides unbiased and personalized Medicare assistance. If you think your 2018 coverage was changed without your consent, contact your Senior Medicare Patrol (SMP) program to discuss potential enrollment fraud.

Take Action:

1. Determine what your Part B premium is this year by looking at your Social Security statement or calling the Social Security Administration at 800-772-1213.
2. Anticipate your Part D plan costs to see when or if you may enter the donut hole this year. Contact your SHIP to see if you're eligible for any programs that can help with drug costs.
3. If you are unhappy with your coverage for 2018, find out when you can make changes by contacting your SHIP or 1-800-MEDICARE (800-633-4227).
4. If you suspect Medicare fraud, errors, or abuse, contact your Senior Medicare Patrol (SMP).

Local SHIP Contact Information	Local SMP Contact Information
SHIP toll-free: SHIP email: SHIP website: To find a SHIP in another state: Call 877-839-2675 or visit www.shiptacenter.org .	SMP toll-free: SMP email: SMP website: To find an SMP in another state: Call 877-808-2468 or visit www.smpresource.org .
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