



# MEDICARE IN 2024

## HERE'S WHAT YOU NEED TO KNOW

Open enrollment starts on October 15th and ends on December 7th, 2023. During enrollment, you can compare coverage options on the Medicare website, which was updated on October 12th with the 2024 Medicare health and prescription drug plan information.

### **Part B Changes**

Part B covers two main services: medically necessary and preventative. This can include physician fees, ambulance services, medical equipment, outpatient services, and some medications and home health services.

Monthly premiums have increased in 2024. Here's what you should know:

- The standard monthly premium is projected to increase \$9.80 and will be \$174.70 in 2024.
- The annual deductible for all Medicare Part B beneficiaries will be \$240 in 2024, an increase of \$14 from 2023.

Income-Related Monthly Adjustment Amount (IRMAA) surcharges thresholds have increased. In 2024, surcharges apply to individuals with an income of \$103,000 or more, or joint filers with an income of \$206,000 or more. The Centers for Medicare & Medicaid Services website has a comprehensive breakdown of the premium adjustments for next year.

### **Part A Changes**

Part A covers inpatient hospital stays, nursing home care, hospice care, and home health care. Most Medicare participants don't pay a monthly premium for Part A because they have 40 or more quarters of Medicare-covered employment.

However, if you haven't reached 40 quarters of coverage yet, here are the changes to be aware of:

- Hospital deductibles will increase to \$1,632 in 2024; \$32 more than last year
- If you are hospitalized for more than 60 days, but less than 90 days, you will need to pay a coinsurance amount of \$408 per day for every day over 60. The lifetime reserve day amount is \$816 per day, up from \$800 in 2023.
- If you or your spouse have at least 30 quarters in coverage, you may buy into Part A at a reduced rate of \$278 in 2024.
- If you have fewer than 30 quarters, you will pay the full premium of \$505 per month. This is a \$1 decrease from 2023.

### **Medicare Parts C and D**

Medicare Part C, also called Medicare Advantage, combines parts A and B, while Part D covers prescription drugs. Both of these plans are optional and covered through private insurance, so plans may vary depending on the provider. You can compare plans via the Medicare website.

- Average premiums, benefits, and plan choices for Medicare Advantage and the Medicare Part D prescription drug program will remain stable in 2024.
- Through the Inflation Reduction Act, people with Medicare Part D prescription drug coverage will continue to have more affordable benefits, including a \$35 cost-sharing limit on a month's supply of each covered insulin product and recommended adult vaccines at no cost.

Healthcare access and costs are always changing. If you'd like to learn more about how Medicare may affect your finances, or want more information on premium costs and coverage and how they interact with your financial plan, contact the office today.

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