

2010 Medicare Update

Rates for the coming year



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Medicare premium, coinsurance, and deductible amounts have been released for 2010.

William Gallagher Associates, a leading provider of insurance brokerage, risk management and employee benefits services to firms with complex risks, within industries that include high technology, life sciences, financial risks, healthcare services, energy, and environmental services. WGA has offices in Boston, MA; Princeton, NJ; Columbia, MD; Atlanta, GA; Albany, NY; and Paris France.

Deductibles and Copays

All Medicare Parts A and B deductibles and coinsurance amounts have increased for 2010. These coinsurance and deductible amounts will be effective January 1, 2010 for all Medicare beneficiaries

Medicare Part A Coverage

<u>Service</u>	<u>Patient Responsibility</u>
Inpatient Hospital Days 1-60	\$1,100.00 Deductible
Inpatient Hospital Days 61-90	\$275.00 per day
Inpatient Hospital Days 91-150	\$550.00 per day
Inpatient Hospital Days 151 and beyond	100% of Costs
Skilled Nursing Facility Days 1-20	\$0 per day
Skilled Nursing Facility Days 21-100	\$137.50 per day

Medicare Part B Coverage

The deductible for 2010 is **\$155.00**. The Medicare Part B coinsurance remains the same at 20% of all Medicare approved costs.

Medicare Part D Coverage

<u>Initial Coverage:</u> Cost is shared by vendor and individual (copay levels)	up to \$2,830 in TOTAL Rx Costs
<u>Donut Hole:</u> Individual pays 100% of the cost	until Individual pays \$4,550 TOTAL out-of-pocket
<u>Catastrophic Coverage:</u> Cost is shared by vendor and individual (copay levels)	after Individual pays \$4,550 in TOTAL Rx out-of-pocket

Premiums

For 2010, Medicare Part B premiums will differ for **current** enrollees and **new** enrollees. Most currently enrolled individuals have their Medicare Part B premiums deducted directly from their Social Security benefit checks. The Social Security Act protects individuals from having a decrease in benefits from one year to the next. Since Social Security benefits will not have a cost of living increase for 2010, Medicare Part B premiums will remain the same for these individuals.

Medicare Part B premiums for **new** enrollees in 2010 will increase from the 2009 rates.

Medicare Part B INCOME BASED Monthly Premiums

You Pay in 2010	If Your Yearly Income is	
Part B	<i>Single</i>	<i>Married Couple</i>
\$110.50	\$85,000 or less	\$170,000 or less
\$154.70	\$85,001-\$107,000	\$170,001-\$214,000
\$221.00	\$107,001-\$160,000	\$214,001-\$320,000
\$287.30	\$160,001-\$214,000	\$320,001-\$428,000
\$353.60	Above \$214,000	Above \$428,000

For the latest information on Medicare programs and how we can help you educate your employees, please contact your Account Executive at William Gallagher Associates or connect to us at info@WGains.com.

