



Medicare Deductible, Coinsurance, & Premium Rates: CY 2025 Update

Related CR Release Date: November 25, 2024	MLN Matters Number: MM13796 Revised
Effective Date: January 1, 2025	Related Change Request (CR) Number: CR 13796
Implementation Date: January 6, 2025	Related CR Transmittal Number: R12980GI
Related CR Title: Update to Medicare Deductible, Coinsurance and Premium Rates for Calendar Year (CY) 2025	

What's Changed: We revised this Article to update the transmittal number, CR link, and CR release date. There are no substantive changes to the Article.

Affected Providers

- Physicians
- Hospitals
- Suppliers
- Other providers billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients

Action Needed

Make sure your billing staff knows about CY 2025:

- Medicare Part A and Part B deductibles
- Part A and Part B coinsurance rates
- Part A and Part B premiums

Background

Patients using covered Part A and B services may be subject to deductible and coinsurance requirements (percent of costs the patient must pay). Medicare subtracts an inpatient hospital deductible amount from the amount payable to the hospital for inpatient hospital services it provides in a spell of illness.

When a patient gets such services for more than 60 days during a spell of illness, they're responsible for a coinsurance amount equal to one-fourth of the inpatient hospital deductible for each day of days 61–90 spent in the hospital. A patient has 60 lifetime reserve days of coverage, which they may use after day 90 in a spell of illness. The coinsurance amount for these days is equal to one-half of the inpatient hospital deductible.

A patient is responsible for a coinsurance amount equal to one-eighth of the inpatient hospital deductible per day for days 21–100 of skilled nursing facility (SNF) services during a spell of illness.

Most individuals age 65 and older, and many disabled individuals under age 65, have Part A benefits without a premium payment. The Social Security Act states that certain aged and disabled persons who aren't insured may voluntarily enroll but must pay a monthly premium.

Since 1994, voluntary enrollees may qualify for a reduced premium if they have 30–39 quarters of covered employment. When voluntary enrollment takes place more than 12 months after a person's initial enrollment period, Medicare adds a 10% penalty for 2 years for every year they could have enrolled but didn't enroll in Part A.

All enrollees are subject to a Part B monthly premium and most Part B covered services are subject to an annual deductible and coinsurance. When Part B enrollment takes place more than 12 months after a person's initial enrollment period, there's a permanent 10% increase in the premium for each year the patient could have enrolled but didn't.

2025 Part A – Hospital Insurance

- Part A Deductible: \$1,676
- Part A Coinsurance:
 - \$419 a day for 61st–90th day
 - \$838 a day for 91st–150th day (lifetime reserve days)
 - \$209.50 a day for 21st–100th day (SNF coinsurance)
- Part A Base Premium (BP): \$518 a month
- Part A BP with 10% surcharge: \$569.80 a month
- Part A BP with 45% reduction: \$285 a month (for those who have 30–39 quarters of coverage)
- Part A BP with 45% reduction & 10% surcharge: \$313.50 a month

2025 Part B – Supplementary Medical Insurance

- Part B Standard Premium: \$185 a month
- Part B Deductible: \$257 a year
- Pro Rata Data Amount
 - \$170.32 first month
 - \$86.68 second month
- Part B Coinsurance: 20%

More Information

We issued CR 13796 to your MAC as the official instruction for this change. For more information, find your [MAC's website](#).

Document History

Date of Change	Description
November 26, 2024	We revised this Article to update the transmittal number, CR link, and CR release date. There are no substantive changes to the Article.
November 18, 2024	Initial article released.

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