

Medicare Cost Worksheet

Your costs with Original Medicare will vary depending on your situation. Your Part A premium depends on how long you've worked and paid Medicare taxes, while your Part B premium will depend on your income.

Let's calculate both.

The Medicare Part A premium

Americans work toward premium-free Part A by earning Medicare credits. As long as you earn a certain amount of money per quarter (\$1,410 in 2020¹) and pay taxes, you'll receive one credit for each quarter you've worked. If you or your spouse have racked up 40 credits (10 years), you'll likely receive Medicare Part A for free. Otherwise, use the table below to calculate your Medicare Part A monthly premium.

For example, if you've worked for 8.5 years, you'd have 34 credits ($8.5 \times 4 = 34$) and your Part A premium would be \$252.

Use the table below to calculate your Part A premium based on the number of years you've worked and paid taxes.

Years Worked	Credits Earned	Monthly Premium
0 - 7.25	0 - 29	\$458
7.5 - 9.75	30 - 39	\$252
10+	40+	\$0

My monthly Medicare Part A premium in 2020 is:

\$ _____

The Medicare Part B premium

Your monthly Medicare Part B premium depends on your income. To calculate yours, the government uses your Modified Adjusted Gross Income (MAGI) from your most recent tax return.

Your MAGI isn't listed on a 1040 tax return (the form most people use to file their taxes), but you can get an estimate of this number using your Adjusted Gross Income (AGI). Your AGI can be found on line 8b on Form 1040 for your 2019 income. Your actual MAGI may be slightly higher than your Adjusted Gross Income.

My Adjusted Gross Income is: \$ _____

¹ Social Security Administration, "How You Can Earn Credits" <https://www.ssa.gov/pubs/EN-05-10072.pdf>

How much you pay also depends on how you filed your tax return. Use your AGI to estimate your premium for Part B using the table below:

MAGI (Single)	MAGI (Filed Jointly)	MAGI (Filed Separately)	Monthly Premium
\$87,000 or less	\$174,000 or less	\$87,000 or less	\$144.60
\$87,001 - \$109,000	\$174,001 - \$218,000	N/A	\$202.40
\$109,001 - \$136,000	\$218,001 - \$272,000	N/A	\$289.20
\$136,001 - \$163,000	\$272,001 - \$326,000	N/A	\$376.00
\$163,001 - \$499,999	\$326,001 - \$749,999	\$87,001 - \$413,000	\$462.70
\$500,000 +	\$750,000 +	\$413,000 +	\$491.60

Table created using information from Medicare.gov.

Based on my AGI, my *estimated* monthly Part B premium in 2020 is: \$ _____

Now add your Part A and Part B premiums to see your total monthly premium for Original Medicare.

Total Medicare Premiums from Part A and Part B: \$ _____

Additional Medicare Costs

In addition to your monthly premiums, you'll be responsible for deductibles and coinsurance for both Part A and Part B.

Part A

The Part A deductible for 2020 is \$1,408, and you'll pay this amount each time you begin a new hospital stay. Coinsurance is calculated per day of your stay. The amount depends on what kind of facility you're staying in, and it may increase the longer you're an inpatient. You can expect to pay \$0 to \$704 per day as a hospital inpatient and \$0 to \$176 per day as a skilled nursing facility inpatient.

Part B

The Part B annual deductible is \$198 in 2020 and resets each year. Part B pays a straight 80% of all covered services, which means you'll be responsible for a 20% coinsurance.

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