

CMS Announces 2022 Medicare Part B Premiums

Social Security News Release

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Today, the Centers for Medicare & Medicaid Services (CMS) released the 2022 Medicare Parts A and B premiums, deductibles, and coinsurance amounts, and the 2022 Part D income-related monthly adjustment amounts. Most people with Medicare will see a 5.9 percent cost-of-living adjustment (COLA) in their 2022 Social Security benefits—the largest COLA in 30 years. This significant COLA increase will more than cover the increase in the Medicare Part B monthly premium.

Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A. The increase in the standard monthly premium—from \$148.50 in 2021 to \$170.10 in 2022—is based in part on the statutory requirement to prepare for expenses, such as spending trends driven by COVID-19, and prior Congressional action in the Continuing Appropriations Act, 2021 that limited the 2021 Medicare Part B monthly premium increase during the COVID-19 pandemic. It also reflects the need to maintain a contingency reserve for unanticipated increases in health care spending, particularly certain drug costs. There is significant uncertainty regarding the potential for future coverage of clinician-administered Alzheimer's drugs (i.e., Aduhelm™), requiring additional contingency reserves. Potential Medicare drug coverage is currently the subject of a Medicare National Coverage Determination (NCD) analysis, which, if covered, could increase Medicare spending. The proposed NCD on Aduhelm (as well as any drugs in this category) is still to be determined.

Most people with Medicare will see a significant net increase in Social Security benefits. For example, a retired worker who currently receives \$1,565 per month from Social Security can expect to receive a net increase of \$70.40 more per month after the Medicare Part B premium is deducted.

“CMS is committed to ensuring high quality care and affordable coverage for those who rely on Medicare today, while protecting Medicare’s sustainability for future generations,” said CMS Administrator Chiquita Brooks-LaSure. “The increase in the Part B premium for 2022 is continued evidence that rising drug costs threaten the affordability and sustainability of the Medicare program. The Biden-Harris Administration is working to make drug prices more affordable and equitable for all Americans, and to advance drug pricing reform through competition, innovation, and transparency.”

By law, the Medicare Part B monthly premium must equal 25 percent of the estimated total Part B costs for enrollees aged 65 and over. CMS has a responsibility to establish an annual Part B premium that will adequately fund projected Medicare spending and maintain an adequate reserve in case actual costs are higher than estimated.

The annual deductible for Medicare Part B beneficiaries grows with the Part B financing and is increasing from \$203 in 2021 to \$233 in 2022.

The Administration is taking action to address the rapidly increasing drug costs that are posing a threat to the future of the Medicare program and that place a burden on people with Medicare. President Biden has proposed to lower prescription drug costs for Americans by letting Medicare negotiate drug prices as part of his Build Back Better agenda. In addition, Department of Health and Human Services Secretary Xavier Becerra [released a comprehensive plan](#) to lower drug prices as part of President Biden’s [Executive Order on Promoting Competition](#) in the American Economy. The plan includes legislative and administrative proposals to reduce drug costs in Medicare Parts B and D.

Medicare Open Enrollment – which ends December 7, 2021 – is an opportunity for the more than 63 million people who rely on Medicare to compare coverage options like Original Medicare (Parts A and Part B) and Medicare Advantage and choose health and prescription drug plans for 2022. CMS urges Medicare beneficiaries to go to [Medicare.gov](https://www.medicare.gov) or call 1-800-MEDICARE to review their coverage choices, decide on the options that best meet their health needs, and check their eligibility to receive financial assistance from the Medicare Savings Programs. Premiums and deductibles for Medicare Advantage and Medicare Prescription Drug plans (Medicare Part D) are already finalized and unaffected by this announcement.

For a fact sheet on the 2022 Medicare Parts A & B premiums and deductibles, and the Part D income-related monthly adjustment amounts, please visit: <https://www.cms.gov/newsroom/fact-sheets/2022-medicare-parts-b-premiums-and-deductibles2022-medicare-part-d-income-related-monthly-adjustment>

Information on the Medicare Savings Programs available at: <https://www.medicare.gov/your-medicare-costs/get-help-paying-costs/medicare-savings-programs>.

For more information on the 2022 Medicare Parts A and B premiums and deductibles (CMS-8077-N, CMS-8078-N, & CMS-8079-N), please visit <https://www.federalregister.gov/public-inspection>.