Issue Brief

FEDERAL ISSUE BRIEF

Analysis provided for MHA by Larry Goldberg, Goldberg Consulting

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CMS Finally Releases CY 2026 Medicare Parts A & B Premiums and Deductibles

The Centers for Medicare and Medicaid (CMS) have finally issued the Calendar Year (CY) 2026 premiums, deductibles, and coinsurance amounts for the Medicare Part A and Part B programs, and the 2026 income-related monthly adjustment amounts.

The updates are presented in three notices as noted below. Also shown are the display versions site addresses. The notices are schedule to be published in the ***Federal Register*** on November 19.

1. Calendar Year 2026 Inpatient Hospital Deductible and Hospital and Extended Care Services Coinsurance Amounts. Copy at: https://public-inspection.federalregister.gov/2025-20249.pdf.
2. Calendar Year 2026 Part A Premiums for the Uninsured Aged for Certain Disabled Individuals Who Have Exhausted Other Entitlement. Copy at: https://public-inspection.federalregister.gov/2025-20250.pdf.
3. Medicare Part B Monthly Actuarial Rates, Premium Rates, and Annual Deductible Beginning January 1, 2026; Copy at: https://public-inspection.federalregister.gov/2025-20251.pdf

Medicare Part A

For CY 2026, the inpatient hospital deductible will be $1,736 an increase of $60.00 from the current amount of $1,676. The daily coinsurance amounts for CY 2026 will be: $434 for the 61st through 90th day of hospitalization in a benefit period.

The daily coinsurance for lifetime reserve days will be $868 (one-half of the inpatient hospital deductible.

The daily coinsurance for the 21st through 100th day of extended care services in a skilled nursing facility (SNF) in a benefit period will be $217 (one-eighth of the inpatient hospital deductible).

The estimated total increase in cost to beneficiaries is about $860 million (rounded to the nearest $10 million) due to: (1) the increase in the deductible and coinsurance amounts; and (2) the change in the number of deductibles and daily coinsurance amounts paid. CMS determined the increase in cost to beneficiaries by calculating the difference between the 2025 and 2026 deductible and coinsurance amounts multiplied by the estimated change in the number of deductible and coinsurance amounts paid.

Questions? Contact Andrew Wheeler, MHA's Vice President of Federal Finance, at 573-893-3700 | ext. 136 or awheeler@MoHospitals.org

4712 Country Club Drive, Jefferson City, Mo. 65109
P.O. Box 60, Jefferson City, Mo. 65102
573-893-3700 | MoHospitals.org

Cost to Medicare Beneficiarie

The table below summarizes the deductible and coinsurance amounts for CYs 2025 and 2026, as well as the number of each that is estimated to be paid.

Medicare Part A Deductible and Coinsurance Amounts for CYs 2025 and 2026

Type of Cost Sharing	Value		Number Paid (In Millions)	
	2025	2026	2025	2026
Inpatient hospital deductible	$1,676	$1,736	5.55	5.63
Daily coinsurance for 61st - 90th day	$419	$434	1.39	1.41
Daily coinsurance for lifetime reserve days	$838	$868	0.71	0.72
SNF coinsurance	$209.50	$217	28.33	28.88

CY 2026 Part A Premiums for the Uninsured Aged and for Certain Disabled Individuals Who Have Exhausted Other Entitlement

The monthly premium paid by enrollees aged 65 and over who are not otherwise eligible for benefits under Medicare Part A (hereafter known as the "uninsured aged") and by certain individuals with disabilities who have exhausted other entitlement. The monthly Medicare Part A premium for the 12 months beginning January 1, 2026 for these individuals will be $565. The premium for certain other individuals as described in this notice will be $311.

Part B Deductible

The monthly actuarial rates for 2026 are $405.40 for aged enrollees and $548.60 for disabled enrollees. The standard monthly Part B premium rate for all enrollees for 2026 is $202.90, which is equal to 50 percent of the monthly actuarial rate for aged enrollees (or approximately 25 percent of the expected average total cost of Part B coverage for aged enrollees) plus the $0.20 repayment amount required under current law.

The 2026 standard Part B premium is $17.90 higher than the 2025 premium of $185.00.

For 2026, the immunosuppressive drug premium is $121.60. The Part B annual deductible for 2026 is $283.00, an increase of $26.00 from the current amount of $257.00 for all beneficiaries.

If a beneficiary's modified adjusted gross income is greater than or equal to $500,000 for a beneficiary filing an individual income tax return and $750,000 for a beneficiary filing a joint tax return, the beneficiary is responsible for 85 percent of the estimated total cost of Part B coverage.

Full Part B Monthly Premium Rates

The following are the 2026 Part B monthly premium rates to be paid by (or on behalf of) beneficiaries **with full Part B coverage** who file either individual tax returns (and are single individuals, heads of households, qualifying widows or widowers with dependent children, or married individuals filing separately who lived apart from their spouses for the entire taxable year) or joint tax returns.

Beneficiaries who file individual tax returns with modified adjusted gross income:	Beneficiaries who file joint tax returns with modified adjusted gross income:	Income-Related Monthly Adjustment Amount	Total Monthly Premium Amount
Less than or equal to $109,000	Less than or equal to $218.00	$0.00	$202.90
Greater than $109,000 and less than or equal to $137,000	Greater than $218,000 and less than or equal to $274,000	$81.20	$284.10
Greater than $137,000 and less than or equal to $171,000	Greater than $274,000 and less than or equal to $342,000	$202.90	$405.80
Greater than $171,000 and less than or equal to $205,000	Greater than $342,000 and less than or equal to $410,000	$324.60	$527.50
Greater than $205,000 and less than $500,000	Greater than $410,000 and less than $750,000	$446.30	$649.20
Greater than or equal to $500,000	Greater than or equal to $750,000	$487.00	$689.90

For beneficiaries **with Part B immunosuppressive drug coverage only** who file either individual tax returns (and are single individuals, heads of households, qualifying widows or widowers with dependent children, or married individuals filing separately who lived apart from their spouses for the entire taxable year) or joint tax returns, the 2026 Part B monthly premium rates are shown below.

Beneficiaries who file individual tax returns with modified adjusted gross income:	Beneficiaries who file joint tax returns with modifiedadjusted gross income:	Income-Related Monthly Adjustment Amount	Total Monthly Premium Amount
Less than or equal to $109,000	Less than or equal to $218,000	$0.00	$121.60
Greater than $109,000 and less than or equal to $137,000	Greater than $218,000 and less than or equal to $274,000	$81.10	$202.70
Greater than $137,000 and less than or equal to $171,000	Greater than $274,000 and less than or equal to $342,000	$202.70	$324.30
Greater than $171,000 and less than or equal to $205,000	Greater than $342,000 and less than or equal to $410,000	$324.30	$445.90
Greater than $205,000 and less than $500,000	Greater than $410,000 and less than $750,000	$445.90	$567.50
Greater than or equal to $500,000	Greater than or equal to $750,000	$486.50	$608.10

In addition, the monthly premium rates to be paid by (or on behalf of) beneficiaries **with full Part B coverage** who are married and lived with their spouses at any time during the taxable year, but who file separate tax returns from their spouses, are as follows:

Beneficiaries who are married and lived with their spouses at any time during the year, but who file separate tax returns from their spouses, with modified adjusted gross income:	Income-Related Monthly Adjustment Amount	Total Monthly Premium Amount
Less than or equal to $109,000	$0.00	$202.90
Greater than $109,000 and less than $391,000	$446.30	$649.20
Greater than or equal to $391,000	$487.00	$689.90

The monthly premium rates to be paid by (or on behalf of) beneficiaries **with immunosuppressive drug** only Part B coverage who are married and lived with their spouses at any time during the taxable year, but who file separate tax returns from their spouses, are as follows:

Beneficiaries who are married and lived with their spouses at any time during the year, but who file separate tax returns from their spouses, with modified adjusted gross income:	Income-Related Monthly Adjustment Amount	Total Monthly Premium Amount
Less than or equal to $109,000	$0.00	$121.60
Greater than $109,000 and less than $391,000	$445.90	$567.50
Greater than or equal to $391,000	$486.50	$608.10

Waiver of Proposed Rulemaking

Section 1813(b)(2) of the Act requires publication of the inpatient hospital deductible and the hospital and extended care services coinsurance amounts between September 1 and September 15 of the year preceding the year to which they will apply.

Section 1871(b)(1) of the Act generally requires the Secretary to provide for notice of a proposed rule in the ***Federal Register*** and provide a period of not less than 60 days for public comment before establishing or changing a substantive legal standard regarding the matters enumerated by the statute. Section 1871(b)(2)(C) of the Act provides exceptions from the notice and 60-day comment period, under the good cause standard set forth in 5 U.S.C. 553(b)(B). Section 553(b)(B) authorizes an agency to dispense with notice and comment rulemaking for good cause if the agency makes a finding that notice and comment procedures are impracticable, unnecessary, or contrary to the public interest.

CMS says that to the extent that an opportunity for public notice and comment could be construed as required for this notice, we find good cause to waive this requirement.