

**Related Change Request (CR) #:** 2969

**Medlearn Matters Number:** MM2969

**Related CR Release Date:** October 31, 2003

**Related CR Transmittal #:** R21CP

**Effective Date:** January 1, 2004

**Implementation Date:** January 5, 2004

## ***2004 Deductible and Coinsurance Amounts for Part A Services***

### **Provider Types Affected**

All providers who bill Medicare fiscal intermediaries for Part A services.

### **Provider Action Needed**

This one-time notification is to alert all affected providers to make necessary changes to update Part A Deductible & Coinsurance amounts being made effective for services on and after January 1, 2004. Medicare systems will be modified on January 5, 2004, to apply these changes to all claims with dates of service on or after January 1. January 5 will be the first day in 2004 on which Medicare will process claims with dates of service of January 1, 2004 or later.

### **Background**

Beneficiaries who use covered Medicare Part A services are subject to deductible and coinsurance requirements.

For the first 60 days in a spell of illness, a beneficiary is responsible for a deductible amount for inpatient hospital services furnished. This amount is deducted from that payable by the Medicare program to the hospital.

For the 61<sup>st</sup> through 90<sup>th</sup> day in a spell of illness, a beneficiary is responsible for a coinsurance amount equal to one-fourth of the inpatient hospital deductible per day spent in the hospital.

After the 90<sup>th</sup> day in a spell or illness, an individual has 60 lifetime reserve days of coverage, which they may elect to use, and the coinsurance amount for these days is equal to one-half of the inpatient hospital deductible.

For skilled nursing facility services furnished during a spell of illness, a beneficiary is responsible for a coinsurance amount equal to one-eighth of the inpatient hospital deductible per day for the 21<sup>st</sup> through the 100<sup>th</sup> day.

#### **Disclaimer**

Medlearn Matters articles are prepared as a service to the public and are not intended to grant rights or impose obligations. Medlearn Matters articles may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

**Year 2004 Medicare Part A Deductible & Coinsurance Amounts**

**Deductible**            \$876.00 per benefit period

**Coinsurance**        \$219.00 a day for days 61-90 in each period

                             \$438.00 a day for days 91-150 for each "Lifetime Reserve" day used

                             \$109.50 a day in a Skilled Nursing Facility for days 21-100 in each benefit period

In addition, for your information, the Part B deductible and coinsurance amounts for calendar year 2004 Part B services are:

**Year 2004 Medicare Part B Deductible & Coinsurance Amounts**

**Deductible**            \$100.00 per year

**Coinsurance**        20 percent

**Disclaimer**

Medlearn Matters articles are prepared as a service to the public and are not intended to grant rights or impose obligations. Medlearn Matters articles may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.