

Millions of Americans will save on Medicare fees next year

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President Joe Biden walks with Bob Parant, Medicare beneficiary with Type 1 diabetes, as they arrive to speak at an event on health care costs, in the Rose Garden of the White House, Tuesday, Sept. 27, 2022, in Washington. Credit: AP Photo/Susan Walsh

For the first time in a decade, Americans will pay less next year on

monthly premiums for Medicare's Part B plan, which covers routine doctors' visits and other outpatient care.

The rare 3% decrease in monthly premiums is likely to be coupled with a historically high cost-of-living increase in Social Security benefits—perhaps 9% or 10%—putting hundreds of dollars directly into the pockets of millions of people.

"That's something we may never see again in the rest of our lives," said Mary Johnson, the Social Security and Medicare policy analyst for The Senior Citizens League. "That can really be used to pay off credit cards, to restock pantries that have gotten low because people can't afford to buy as much today as they did a year ago and do some long-postponed repairs to homes and cars."

The 2023 decrease in monthly Medicare premiums comes after millions of beneficiaries endured a tough year of high inflation and a dramatic increase to premiums this year. [Most people on Medicare will pay \\$164.90 a month for Part B coverage starting next year, a savings of \\$5.20.](#)

The decrease helps to offset last year's \$21.60 spike, which was driven in large part by a new Alzheimer's drug, Aduhelm, administered intravenously in doctors' offices and introduced to the market last year with a \$56,000 price tag. Medicare set strict limitations on the drug's use earlier this year and the drugmaker has since cut the medication's cost in half.

Medicare paid less for that drug than it expected this year, helping shore up reserves that allowed the agency to set the Part B premiums lower for 2023, the Centers for Medicaid and Medicare said in a statement Tuesday. Spending on other Medicare services and items was lower than expected, too. The annual deductible for the Part B program will also

decrease \$7 to \$226.

President Joe Biden lauded the lower Medicare premiums during a Rose Garden speech Tuesday.

As the midterm elections near and Biden's administration struggles to contain the painful side effects of inflation, the White House has increasingly trumpeted its work around curtailing health care costs.

"(To) millions of seniors and people with disabilities on Medicare, that means more money in their pockets while still getting the care they need," Biden said.

Biden pointed to more cost savings on the way for some Medicare recipients starting next year thanks to the Inflation Reduction Act, which will require Medicare to cover the cost of recommended vaccines for older Americans and will cap monthly insulin copayments at \$35 per month. Other provisions in the legislation, including a rule that allows Medicare to negotiate directly with drug companies on the price of some medications, will take a few years to kick in.

The bill received no support from congressional Republicans, a talking point the White House has frequently pushed in speeches and across its social media accounts in recent weeks.

Republicans have a different slant on the subject.

"Desperation is setting in at the White House," the Republican National Committee said in response to Biden's speech Tuesday. "Voters have a clear choice in the midterms as they know Biden and the Democrats sent costs for groceries soaring, created a recession and increased taxes."

The lower Medicare premiums were announced as 66 million Americans

await the announcement of next year's Social Security cost-of-living increase for 2023. Analysts estimate that it could be historic, roughly between 9% and 10%. The exact amount will be announced next month.

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