



'Another blow' to elderly

Monthly Medicare premiums expected to go up by 12 percent next year, according to trustees' estimates

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Senior citizens may have to pay nearly \$88 a month for their Medicare premiums in 2006, a 12 percent increase, according to estimates released Wednesday by the program's trustees.



This jump comes after stiff premium hikes over the past two years. In 2004, the elderly paid \$66.60 a month for their health insurance coverage. This year they are paying \$78.20.

"It's going to be another blow to people with Medicare," said Robert Hayes, president of the Medicare Rights Center, a customer service group based in Manhattan. "People with Medicare are facing dramatic increases in out-of-pocket spending."

The annual deductible is likely to rise \$13 to \$123, while senior citizens who opt for the new prescription drug coverage would have to shell out roughly \$37 a month. The annual hospitalization deductible is estimated to rise \$44 to \$956, according to the trustees.

When Estelle Brodsky heard of the potential hike, she groaned. For the Commack resident, it means another drain on her wallet on top of increasing property taxes, spiking gas prices, and rising insurance costs.

"Everything has gone up except my Social Security," said Brodsky, 77, a retired nurse, who finds she has to cut back on going to the movies and eating out. "It's just not fair to us. It's getting harder and harder to buy any kind of luxuries."

Medicare will set the 2006 premiums and deductibles in the fall, but the trustees' estimates give an early look at likely increases. Premiums are deducted from seniors' Social Security checks in most cases.

Much of the increase is due to seniors using more medical services, said Gary Karr, spokesman for the federal Centers for Medicare & Medicaid Services.

More seniors are going to doctors and getting lab work done. Also, payments to doctors have increased.

But consumer rights groups say that, through their premiums, seniors are subsidizing HMOs that participate in the system.

The federal government gives these insurance companies extra incentives to be in the program, said Vicki Gottlich, senior policy attorney at the Center for Medicare Advocacy, a Mansfield, Conn.-based organization.

Separately, the Medicare trustees report said the trust fund that covers hospitalization will run out of money after 2020, one year later than previous estimates.

More to pay

Monthly Medicare premiums have soared over the past decade.

1996 - \$42.50

1997 - 43.80

1998 - 43.80

1999 - 45.50

2000 - 45.50

2001 - 50.00

2002 - 54.00

2003 - 58.70

2004 - 66.60

2005 - 78.20

2006* - 87.70

*estimated

SOURCE: MEDICARE TRUSTEES

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