

Reference

**Selected reference material including
program financing, cost-sharing features
of the Medicare program, and Medicaid
Federal medical assistance percentages**

Program financing

Medicare/source of income

Hospital Insurance trust fund:

1. Payroll taxes*
2. Income from taxation of social security benefits
3. Transfers from railroad retirement account
4. General revenue for
 - a. uninsured persons
 - b. military wage credits
5. Premiums from voluntary enrollees
6. Interest on investments

*Contribution rate	2004	2005	2006
		Percent	
Employees and employers, each	1.45	1.45	1.45
Self-employed	2.90	2.90	2.90
Maximum taxable amount (CY 2006)			None ¹

Voluntary HI Premium²

Monthly Premium (CY 2006): \$393

Supplementary Medical Insurance trust fund:

1. Premiums paid by or on behalf of enrollees
2. General revenue
3. Interest on investments

Part B Premium

Monthly Basic Premium (CY 2006): \$88.50

Medicaid/financing

1. Federal contributions (ranging from 50 to 76 percent for fiscal year 2006)
2. State contributions (ranging from 24 to 50 percent for fiscal year 2006)

¹The Omnibus Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amounts for 1994 and later. For these years, the contribution rate is applied to all earnings in covered employment.

²Premium paid for voluntary participation of individuals aged 65 and over not otherwise entitled to hospital insurance and certain disabled individuals who have exhausted other entitlement. A reduced premium of \$216 is available to individuals aged 65 and over who are not otherwise entitled to hospital insurance but who have, or whose spouse has or had, at least 30 quarters of coverage under Title II of the Social Security Act.

SOURCE: CMS, Office of the Actuary.

Medicare deductible and coinsurance amounts

Part A (effective date)	Amount
Inpatient hospital deductible (1/1/06)	\$952/benefit period
Regular coinsurance days (1/1/06)	\$238/day for 61st thru 90th day
Lifetime reserve days (1/1/06)	\$476/day (60 nonrenewable days)
SNF coinsurance days (1/1/06)	\$119/day after 20th day
Blood deductible	first 3 pints/benefit period
Voluntary hospital insurance premium (1/1/06)	\$393/month \$216/month if have at least 30 quarters of coverage
Limitations:	
Inpatient psychiatric hospital days	190 nonrenewable days
Part B (effective date)	Amount
Deductible (1/1/06) ¹	\$124 in allowed charges/year
Blood deductible	first 3 pints/calendar year
Coinsurance ¹	20 percent of allowed charges
Premium (1/1/06)	\$88.50/month
Limitations:	
Outpatient treatment for mental illness	No limitations

¹The Part B deductible and coinsurance applies to most services. Items and/or services not subject to either the deductible or coinsurance are clinical diagnostic lab tests subject to a fee schedule, home health services, items and services furnished in connection to obtaining a second or third opinion, and some preventive services. In addition, federally qualified health center services and some preventive services are not subject to the deductible but are subject to the coinsurance.

SOURCE: CMS, Office of the Actuary.

**Geographical jurisdictions of CMS regional offices and
Medicaid Federal medical assistance percentages (FMAP)
fiscal year 2006**

I. Boston	FMAP	II. New York	FMAP
Connecticut	50.00	New Jersey	50.00
Maine	62.90	New York	50.00
Massachusetts	50.00	Puerto Rico	50.00
New Hampshire	50.00	Virgin Islands	50.00
Rhode Island	54.45	Canada	--
Vermont	58.49		
		IV. Atlanta	
III. Philadelphia		Alabama	69.51
Delaware	50.09	Florida	58.89
Dist. of Columbia	70.00	Georgia	60.60
Maryland	50.00	Kentucky	69.26
Pennsylvania	55.05	Mississippi	76.00
Virginia	50.00	North Carolina	63.49
West Virginia	72.99	South Carolina	69.32
		Tennessee	63.99
V. Chicago		VI. Dallas	
Illinois	50.00	Arkansas	73.77
Indiana	62.98	Louisiana	69.79
Michigan	56.59	New Mexico	71.15
Minnesota	50.00	Oklahoma	67.91
Ohio	59.88	Texas	60.66
Wisconsin	57.65		
VII. Kansas City		VIII. Denver	
Iowa	63.61	Colorado	50.00
Kansas	60.41	Montana	70.54
Missouri	61.93	North Dakota	65.85
Nebraska	59.68	South Dakota	65.07
		Utah	70.76
IX. San Francisco		Wyoming	54.23
Arizona	66.98	X. Seattle	
California	50.00	Alaska	50.16/57.58
Hawaii	58.81	Idaho	69.91
Nevada	54.76	Oregon	61.57
American Samoa	50.00	Washington	50.00
Guam	50.00		
N. Mariana Islds	50.00		

SOURCE: CMS, Center for Medicaid and State Operations.