

Most every year Medicare adjusts the monthly premium for Medicare Part B. You will probably hear about premium changes in the news, talking with friends or even from me around November of each year. You will also receive your Social Security benefit notice in late November or early December, showing you what your benefit payment will be for the upcoming year as well as any deductions, including the deduction for your Medicare Part B monthly premium.

This is when you will learn if you are being assessed an IRMAA charge in connection with your Medicare premiums.

What is IRMAA?

IRMAA stands for Income Related Monthly Adjustment Amount and are charges that the Social Security Administration will add to your Medicare premiums according to your income level, specifically your Modified Adjusted Gross Income (MAGI,) from two years prior.

For 2023, any IRMAA charges you may be assessed are based upon your 2021 tax returns. If your MAGI in 2021 was greater than \$97,000 if you file your taxes individually, or greater than \$194,000 if you file your taxes jointly, you will be assessed IRMAA charges in 2023 on top of your Medicare Part B and Part D premiums.

How much is IRMAA?

Though, if your income is higher than the above amounts, you may be charged IRMAA. The below chart indicates the amount of Income Related Monthly Adjustment Amount a beneficiary with higher income would pay per month.

There are different IRMAA charges assessed according to increasing MAGI thresholds. For 2023, Medicare Part B IRMAA charges start at \$65.90 per month and can be as high as \$395.60 per month, while Part D IRMAA charges start at \$12.20 per month and can be as high as \$76.40 per month.

The chart below illustrates the various IRMAA charges based upon increasing income thresholds:

What was your Modified Adjusted Gross Income in 2021?					
File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	Part B IRMAA**	Total Part B	Part D IRMAA**
\$97,000 or less	\$194,000 or less	\$97,000 or less	\$0.00	\$164.90	Plan Premium Only
\$97,001 to \$123,000	\$194,001 to \$246,000	Not applicable	\$65.90	\$230.80	\$12.20 + Plan Premium
\$123,001 to \$153,000	\$246,001 to \$306,000	Not applicable	\$164.80	\$329.70	\$31.50 + Plan Premium
\$153,001 to \$183,000	\$306,001 to \$366,000	Not applicable	\$263.70	\$428.60	\$50.70 + Plan Premium
\$183,001 to \$500,000	\$366,001 to \$750,000	Above \$97,000 and less than \$403,000	\$362.60	\$527.50	\$70.00 + Plan Premium
\$500,000 or above	\$750,001 or above	\$403,000 and above	\$395.60	\$560.50	\$76.40 + Plan Premium

**Income-related monthly adjustment amount (a government charge in addition to your Part D plan premium)

Can you appeal an IRMAA determination?

If you are deemed to owe an IRMAA charge, you will receive an initial determination from the Social Security Administration. If you receive this notice and believe it was in error (i.e. your income is incorrect due to filing an amended return or a more recent return shows a lower income) or your income has changed due to a life-changing event (i.e. divorce, work stoppage/retirement, loss of pension, etc.), you may file a Medicare IRMAA Life-Changing Even Form (SSA-44). If neither of these are the case and you still deem the IRMAA to be incorrect, you may file an appeal by calling the Social Security Administration.

If you have additional questions about IRMAA charges or would like help evaluating the various plan options available to you, book a time that's convenient for you on my calendar below.

<https://calendly.com/johnsalois>