

PLANNING FOR HEALTHCARE

What you don't know about retirement will hurt you.

IRMAA- A REAL AREA OF CONCERN FOR THE PRE-RETIREEES



What counts as income towards IRMAA?

Wages, Social Security benefits, Pension/Rental income, Interest, Dividends, distributions from any tax-deferred investment like a Traditional 401(k) or IRA and, again, Capital Gains.

How often does Social Security review IRMAA?

Every year, the SSA determines your IRMAA, if any, based on information from your income tax return from two years prior, which the SSA obtains from the Internal Revenue Service

Is there a way around IRMAA?

Reducing your MAGI (Modified Adjusted Gross Income) will help you reduce or avoid IRMAA in future years. It is important to note that you can appeal IRMAA amount if you experience any losses or hardships. You will need to file Form SSA-44 on their website.

At Your Best Financial Services are here to help.

IRMAA, " INCOME RELATED MONTHLY ADJUSTMENT AMOUNT"

The IRMAA is an additional amount that some Medicare beneficiaries must pay for their Part B and Part D premiums based on their modified adjusted gross income (MAGI). It is a way for Medicare to charge higher-income individuals higher premiums to help fund the program.

It's important to note that the IRMAA is not considered a Tax, but rather an additional premium penalty amount based on income. The funds collected through the IRMAA are used to help support the Medicare program.

What happens if you don't pay IRMAA?

You are required to pay the IRMAA. If you don't pay the IRMAA and get disenrolled, you may also lose your retirement coverage and you may not be able to get it back.

There are people losing their social security retirement benefits because of this. People that have planned for their retirement without considering their healthcare costs have made a big mistake. This mostly affects high income earners who make \$1 over the threshold guides that SSA have set in place Their have been more letters sent out than ever before. The goal is "To Save Social Security and Medicare" People are not aware of the dangers their retirement savings may be in, and this is because they have not considered IRMAA and planned accordingly. You have to know that your IRMAA amount is based off the previous 2 years tax returns. This is not good if you are just going into retirement. So you want to limit your amount as much as possible, by reallocating your retirement plans. Get your assets moved to tax free buckets where it will not be subject to IRMAA or higher taxes. We advise you to speak with us concerning your options if you have received a IRMMA letter or this you will trigger an IRMAA event based on your income now.