

## Medicare Part B Premium Appeals

OMHA handles appeals of the Medicare program's determination of a beneficiary's Income Related Monthly Adjustment Amount (IRMAA), which determines a Medicare beneficiary's total monthly Part B insurance premium.

The Social Security Administration (SSA) notifies a beneficiary of his or her Part B insurance premium and any IRMAA with the beneficiary's annual notice of Social Security benefits (referred to as an initial determination). SSA is responsible for issuing all initial and reconsideration determinations. It is important to remember that IRMAAs apply for only one year. A beneficiary will be notified by SSA near the end of the current year if he or she has to pay an IRMAA for the upcoming year.

### Appealing Your Part B Premium

As a beneficiary, you have the right to appeal if you believe that an Income Related Monthly Adjustment Amount (IRMAA) is incorrect for one of the qualifying reasons. **First, you must request a reconsideration of the initial determination from the Social Security Administration.** A request for reconsideration can be done orally by calling the SSA 1-800 number (800.772.1213) as well as by [writing to SSA](#).

Below are the situations which may qualify a beneficiary for a new Part B determination:

Situation	Description
<b>Tax return inaccurate or out of date</b>	<ul style="list-style-type: none"><li data-bbox="462 1283 1442 1362">• A beneficiary filed an amended tax return for the year SSA is using to make an IRMAA decision</li><li data-bbox="462 1415 911 1444">• There was an error in the IRS data</li><li data-bbox="462 1497 1435 1577">• The IRS provided SSA with older data and the beneficiary wants to use newer information</li><li data-bbox="462 1629 1393 1659">• You had a major life-changing event that significantly reduced your income</li></ul>

<p><b>Life-changing event that affects the beneficiary's modified adjusted gross income</b></p>	<p>There are 7 qualifying life-changing events:</p> <ul style="list-style-type: none"> <li>• Death of spouse</li> <li>• Marriage</li> <li>• Divorce or annulment</li> <li>• Work reduction</li> <li>• Work stoppage</li> <li>• Loss of income from income producing property</li> <li>• Loss or reduction of certain kinds of pension income</li> </ul>
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Events that result in the loss of dividend income or affect a beneficiary's expenses, but do not affect the beneficiary's modified adjusted gross income are not considered qualifying life-changing events.

### **Components of Your Part B Premium**

Beneath the following equation is specific information on each component of your premium.

#### **Equation to Determine Your Part B Premium**

$$\text{Medicare Part B Standard Monthly Premium}_* + \text{Your Income-Based Adjustment}_{**} = \text{Your Total Monthly Part B Premium}$$

\*Set by the Centers for Medicaid and Medicare Services (CMS).

\*\*Income Related Monthly Adjustment Amount (IRMAA)

<p><b>Part B Premium Component</b></p>	<p><b>Description</b></p>
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<p><b>Annual Part B Rate</b></p> <p><b>Set by the Centers for Medicaid and Medicare Services (CMS)</b></p>	<p>The Part B insurance premium is set annually by the CMS. Effective January 1, 2007, Part B beneficiaries with incomes above a certain threshold amount (about 4% to 5% of all Part B beneficiaries) are subject to an adjustment of the amount of the premium that they must pay for Part B insurance.</p>
<p><b>Your Income-Based Adjustment</b></p>	<p>The Social Security Administration determines your Income Related Monthly Adjustment Amount (IRMAA).</p> <p>The IRMAA is based on information from the individual's income tax return obtained from the Internal Revenue Service (IRS) and calculated according to a mathematical formula established by law. The IRMAA is then added to the standard premium amount to calculate the beneficiary's total monthly Part B insurance premium.</p>