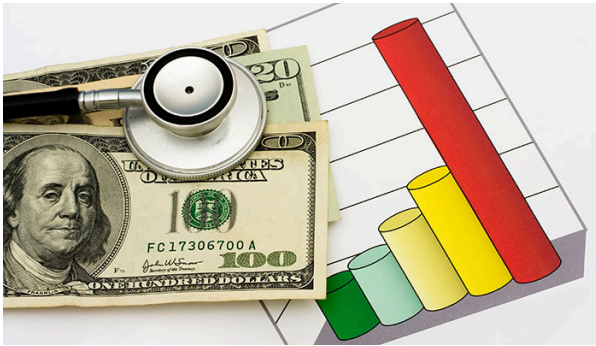


Learn more at www.AgingWisdom.com

What is “IRMAA”?



When Medicare first began in 1965, the idea was that it was for everyone over age 65, not just those who were poor. There would be no stigma.

Things are different now. We live longer. Medical costs are rising. In 2003, Congress decided that those with higher incomes should chip in extra to share the load. This extra is called the “income-related monthly adjustment amount” (IRMAA).

There are two areas of Medicare coverage that incur IRMAA fees:

- **Part B.** Medicare Part B covers nonhospital charges, such as doctor visits or lab work.
- **Prescription drug coverage.** This is Part D, or in a Medicare Advantage Plan it’s sometimes called “Part C.” You buy these policies from an insurance company, but the programs are also subsidized by Medicare.

If the Social Security Administration (SSA) determines your income qualifies, it will add a fee to your monthly premium for Medicare Part B and another for prescription drug coverage. These IRMAA fees are deducted from your Social Security payment each month.

What is “higher income”? The SSA looks at your adjusted gross income from two years ago (e.g., from 2022 for your 2024 rate). It adds back in a few tax deductions such as IRA contributions or Social Security payments. This usually higher amount becomes your “modified adjustable gross income” (MAGI). In 2024, IRMAA will likely apply if your 2022 MAGI was more than \$103,000 for an individual or \$206,000 for a married couple.

A caution about special circumstances: If you have a one-time bump in income (e.g., from the sale of your home or business), you may be assessed a one-year IRMAA fee.

Having trouble paying your IRMAA?

- **Request a new initial IRMAA determination.** If your MAGI was correct from two years ago but you have experienced a life-changing event, turn in **Form SSA-44** (ssa.gov/forms/ssa-44.pdf). Life-changing events include things, such as a spouse’s death, a divorce, or a natural disaster that damaged income property. Reduction in work hours, retirement, or loss of a pension also qualify.
- **Appeal SSA’s decision.** If you do not have a life-changing event, you can request a reconsideration if you believe your MAGI was inaccurately calculated by SSA. Or if you filed an adjustment to your tax return of two years ago that needs to be factored in. Contact the local Social Security office to learn more.

Have questions about Medicare?

Give us a call at **206-456-5155**.



Aging Wisdom —
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Aging Well

206-456-5155

Aging Wisdom supports individuals and families in King and south Snohomish Counties as they plan for aging.



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