

Informational Update Vol 12 # 11

1. 2022 Social Security Letter – If you are eligible for Medicare, you should have received a letter from Social Security in November giving you your 2022 Social Security benefit amount before and after deductions.

Due to a rise in the cost of living, your Social Security benefit amount will increase 5.9% starting January 1, 2022. Social Security deducts from this amount your Medicare Part B (medical) premium & your IRMAA Medicare Part D (drugs).premium.

Medicare Part B Premium

Your Medicare Part B premium is divided into 2 parts: the standard amount & IRMAA (Income-Related Monthly Adjustment Amounts). Everyone who is Medicare-eligible pays the same standard amount. For 2022, the standard amount is \$170.10 per month, up \$21.50 from \$148.60, in 2021.

The Income-Related Monthly Adjustment Amounts (IRMAA) is a monthly surcharge that is deducted ONLY from those Medicare-eligible members whose taxable income (based on your 2020 income tax return) surpasses a certain threshold. In 2022 the threshold is \$91,000 if you filed individually (up \$3,000 from 2021) and \$182,000 if you filed jointly (up \$6,000 from 2021). The SSA

letter contains a chart indicating various income thresholds and the monthly amounts of the Part B surcharge.

Medicare Part D Premium

Medicare Part D is your drug plan. Your premium is also divided into 2 parts: the High Option Rider and IRMAA. The High Option Rider, which most of you bought when you were active supervisors, is currently \$150 a month and is deducted from your **pension check**.

If you are eligible, you will also pay IRMAA Medicare Part D. The amount is based on your 2020 income tax return. The SSA letter contains a chart indicating various income thresholds and the monthly amounts of the Part D surcharge.

How Much You Will Get

Please note the first page of the SSA letter contains 4 bullets. The first one shows how much your SS benefit for 2022 is before deductions, ***providing you are collecting Social Security***. The second shows the 2022 deductions for Medicare Part B for the standard amount and for IRMAA (if not eligible for 2022 IRMAA, IRMAA deduction should be 0).

The good news is that the 2022 Part B standard amount & IRMAA deductions are both reimbursable. You will receive the standard amount automatically, probably sometime in April 2023. IRMAA reimbursement is not automatic; you must apply for it. The application is generally available when you receive your standard reimbursement.

The 3rd bullet shows the 2022 deduction for Part D IRMAA. If you have an IRMAA deduction for Part B then you will also have one for Part D. Please note that Part D IRMAA is **NOT** reimbursable.

The 4th bullet lists your SSA benefit amount after all deductions.

If you are eligible for IRMAA in 2022, keep your 2022 SSA letter in a safe place. You will need to include it, along with your 2022 SSA-1099 letter, in the application package when you file for 2022 Part B IRMAA.

2. Payment of Medicare Part B Premium – Most

Medicare members have their Part B premium electronically deducted from their Social Security Check. However, if you are *NOT* collecting Social Security (you may be waiting until you are old enough to receive full payment) you will receive a bill called “Notice of Medicare Premium Payment Due” (CMS-500). You can pay this bill by 1) using your bank’s online bill payment service, 2) signing up for Medicare Easy Pay, a free service that automatically deducts the premium

payments from your savings or checking account each month, or 3) paying by check, money order or credit card. Check or money order is sent to:

Medicare Premium Collection Center

P.O. Box 790355

St. Louis, MO 63179-0355

If you use a credit card you will have to complete the bottom portion of the Medicare bill, sign it and send it to the above address.

3. Questions of the Month

Q. I did not receive my SSA letter listing my 2022 Social Security benefits and deductions. How can I get a copy?__

A. There are 3 ways: 1) you can call Social Security at 1-800-772-1213 2) visit your local Social Security office and request the SSA letter. Have a previous SSA letter or facsimile of the letter available with you so that you can clearly describe to the SSA agent what you want, OR 2) download a copy from the SSA website, www.SSA.com. This will require your having an online SSA account, which, if you don't have one, you can open one on the SSA website by just following the prompts.

Have a great & safe day!

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