

Premiums: Rules for Higher-Income Beneficiaries (En español)

The law requires an adjustment to your monthly Medicare Part B (medical insurance) and Medicare prescription drug coverage premiums.

If You Have a Higher Income

If you have a higher income, you'll pay an additional premium amount for Medicare Part B and Medicare prescription drug coverage. We call the additional amount the "income-related monthly adjustment amount." Here's how it works:

- Part B helps pay for your doctors' services and outpatient care. It also covers other medical services, such as physical and occupational therapy, and some home health care. For most beneficiaries, the government pays a substantial portion — about 75% — of the Part B premium, and the beneficiary pays the remaining 25%.

If we determine you're a higher-income beneficiary, you'll pay a larger percentage of the total cost of Part B based on the income you normally report to the Internal Revenue Service (IRS). You'll pay monthly Part B premiums equal to 35%, 50%, 65%, 80%, or 85% of the total cost, depending on what you report to the IRS.

- Medicare prescription drug coverage helps pay for your prescription drugs. For most beneficiaries, the government pays a major portion of the total costs for this coverage, and the beneficiary pays the rest. Prescription drug plan costs vary depending on the plan, and whether you get the [*Extra Help*](#). This is, also known as the subsidy, with your portion of the Medicare prescription drug coverage costs.

If you're a higher-income beneficiary with Medicare prescription drug coverage, you'll pay monthly premiums plus an additional amount. This amount is based on what you report to the IRS. Because individual plan premiums vary, the law specifies that the amount is determined using a base premium. We tie the additional amount you pay to the base beneficiary premium, not your own premium amount. If you're a higher-income beneficiary, we deduct this amount from your monthly Social Security payments regardless of how you usually pay your monthly prescription plan premiums. If the amount is greater than your monthly payment from Social Security, or you don't get monthly payments, you'll get a separate bill from another federal agency. This agency may be the Centers for Medicare & Medicaid Services or the Railroad Retirement Board.

How Social Security Determines You Have a Higher Premium

We use the most recent federal tax return the IRS provides to us. If you must pay higher premiums, we use a sliding scale to calculate the adjustments. This is based on your "modified adjusted gross

income" (MAGI). Your MAGI is your total adjusted gross income and tax-exempt interest income.

If you file your taxes as "married, filing jointly" and your MAGI is greater than \$212,000, you'll pay higher premiums for your Part B and Medicare prescription drug coverage. If you file your taxes using a different status, and your MAGI is greater than \$106,000, you'll pay higher premiums. See the chart [below](#), Modified Adjusted Gross Income (MAGI), for an idea of what you can expect to pay.

If you must pay higher premiums, we'll send you a letter with your premium amount(s) and the reason for our determination. If you have both Medicare Part B and Medicare prescription drug coverage, you'll pay higher premiums for each. If you have only 1 — Medicare Part B or Medicare prescription drug coverage — you'll pay an income-related monthly adjustment amount only on the benefit you have. If you decide to enroll in the other program later in the same year, we'll apply an adjustment automatically to the other program when you enroll. You must already be paying an income-related monthly adjustment amount. In this case, we won't send you another letter explaining how we made this determination.

Remember, if your income isn't greater than the limits described above, this law does not apply to you.

Your Tax Return

To determine your 2025 income-related monthly adjustment amounts, we use your most recent federal tax return the IRS provides to us. Generally, this information is from a tax return filed in 2024 for tax year 2023. Sometimes, the IRS only provides information from a return filed in 2023 for tax year 2022. If we use the 2022 tax year data, and you filed a return for tax year 2023 or did not need to file a tax return for tax year 2023, call us or visit any local Social Security office. We'll update our records.

If you amended your tax return, and it changes the income we count to determine the income-related monthly adjustment amounts (your MAGI), let us know. We'll need to see a copy of the amended tax return you filed and your acknowledgment receipt from the IRS. We'll update our records with the information you provide and correct or remove your income-related monthly adjustment amounts, as appropriate.

If Your Income Has Gone Down

If your income has gone down and the change makes a difference in the income level we consider, contact us to explain that you have new information. We may make a new decision about your income-related monthly adjustment amount for the following reasons:

- You married or divorced, or your spouse died.

- You or your spouse stopped working or reduced your work hours.
- You or your spouse lost income-producing property because of a disaster or other event beyond your control.
- You or your spouse experienced a scheduled cessation, termination, or reorganization of an employer's pension plan.
- You or your spouse received a settlement from an employer or former employer because of the employer's closure, bankruptcy, or reorganization.

If any of the above applies to you, we need to see documentation verifying the event and the reduction in your income. The documentation you provide should relate to the event and may include a death certificate, a letter from your employer about your retirement, or something similar. If you filed a federal income tax return for the year in question, you need to show us your signed copy of the return. Use Form Medicare Income-Related Monthly Adjustment Amount – Life-Changing Event to report a major life-changing event. If your income has gone down, you may also use Form SSA-44 to request a reduction in your income-related monthly adjustment amount.

Monthly Medicare Premiums for 2025

The standard Part B premium for 2025 is \$185.00. If you're single and filed an individual tax return, or married and filed a joint tax return, the following chart applies to you:

Modified Adjusted Gross Income (MAGI)	Part B monthly premium amount	Prescription drug coverage monthly premium amount
Individuals with a MAGI less than or equal to \$106,000 Married couples with a MAGI of \$212,000 or less	2025 standard premium = \$185.00	Your plan premium
Individuals with a MAGI above \$106,000 up to \$133,000 Married couples with a MAGI above \$212,000 up to \$266,000	Standard premium + \$74.00	Your plan premium + \$13.70
Individuals with a MAGI above \$133,000 up to \$167,000 Married couples with a MAGI above \$266,000 up to \$334,000	Standard premium + \$185.00	Your plan premium + \$35.30
Individuals with a MAGI above \$167,000 up to \$200,000 Married couples with a MAGI above \$334,000 up to \$400,000	Standard premium + \$295.90	Your plan premium + \$57.00

Modified Adjusted Gross Income (MAGI)	Part B monthly premium amount	Prescription drug coverage monthly premium amount
Individuals with a MAGI above \$200,000 and less than \$500,000	Standard premium + \$406.90	Your plan premium + \$78.60
Married couples with a MAGI above \$400,000 and less than \$750,000		
Individuals with a MAGI equal to or above \$500,000	Standard premium + \$443.90	Your plan premium + \$85.80
Married couples with a MAGI equal to or above \$750,000		

If you're married and lived with your spouse at some time during the taxable year, but filed a separate tax return, the following chart applies to you:

Modified Adjusted Gross Income (MAGI)	Part B monthly premium amount	Prescription drug coverage monthly premium amount
Individuals with a MAGI less than or equal to \$106,000	2025 standard premium = \$185.00	Your plan premium
Individuals with a MAGI above \$106,000 and less than \$394,000	Standard premium + \$406.90	Your plan premium + \$78.60
Individuals with a MAGI equal to or above \$394,000	Standard premium + \$443.90	Your plan premium + \$85.80

If You Disagree with Our Decision

If you disagree with the decision we made about your income-related monthly adjustment amounts, you have the right to appeal. The fastest and easiest way to file an appeal of your decision is [online](#). You can file online and provide documents electronically to support your appeal. You can file an appeal online even if you live outside of the United States.

You may also request an appeal in writing by completing a [Request for Reconsideration](#) (Form SSA-561-U2), or contact your local Social Security office. You can use the [appeal form](#) online or request a copy through our toll-free number at **1-800-772-1213** (TTY **1-800-325-0778**). You don't need to file an appeal if you're requesting a new decision because you experienced 1 of the events listed and, it made your income go down. You don't need to file an appeal if you've shown us the information we used is wrong.

If you disagree with the MAGI amount we received from the IRS, you must correct the information with the IRS. If we determine you must pay a higher amount for Medicare prescription drug coverage and you don't have this coverage, you must call the Centers for Medicare & Medicaid

Services (CMS) to make a correction at **1-800-MEDICARE (1-800-633-4227; TTY 1-877-486-2048)**. We receive the information about your prescription drug coverage from CMS.

Learn More

For more information about the income-related monthly adjustment amounts or to apply for Medicare Part A or B, visit our webpage [Medicare Resources](#).

You can read the [Medicare & You Handbook](#) . To enroll in Medicare prescription drug coverage or find more information about what Medicare covers, visit the [Medicare](#) website, or call **1-800-MEDICARE (1-800-633-4227; TTY 1-877-486-2048)**. Your State Health Insurance Counseling and Assistance Program (SHIP) also can help answer your Medicare questions. You can find your local SHIP contact information in the back of your [Medicare & You Handbook](#) online, or you can request it when you call.

If you have limited resources and income, you may be able to get *Extra Help* with the costs — monthly premiums, annual deductibles, and prescription copayments — related to Medicare prescription drug coverage. Visit [Extra Help with your Medicare prescription drug costs](#) for more information.