

Income-Related Medicare Premium Adjustment

Calculation Year:	2020
Modified Adj. Gross Income (2018):	\$175,000
Filing Status:	Single
Part D Monthly RX Plan Prem. (\$0 if NA):	\$70

Monthly Medical Premiums Based on MAGI

Part B (Medical Insurance)	
Standard Premium:	\$144.60
IRMAA:	<u>\$318.10</u>
Total:	\$462.70

Part D (Prescription Drug Benefit)	
Monthly RX Plan Premium:	\$70.00
IRMAA:	<u>\$70.00</u>
Total:	\$140.00

Income-Related Medicare Premium Adjustment

MAGI: modified adjusted gross income (from two years prior to the calculation year – the “prior-prior” year)

Part B premiums (Medical Insurance)

Most people will pay the standard monthly premium amount. For 2020, this amount is \$144.60 per month (\$1,735 for the year).

If your MAGI is above a certain amount, however, you may need to pay an additional “Income-Related Monthly Adjustment Amount” (IRMAA). For 2020, the MAGI bracket changes range from \$174,000 to \$750,000 (joint), \$87,000 to \$500,000 (Single or Head Of Household), and \$87,000 to \$415,000 (Married but Separate return).

Depending on your filing status and your MAGI, for 2020, this IRMAA (increase) will range from \$57.80 to \$347.00 per month. Thus, the combined premium (standard plus IRMAA) will range from \$1,735 to \$5,899 for the year.

If you are even \$1 into the next MAGI bracket, your annual IRMAA will jump by \$693.60 (in the first bracket) or \$1,041.6 (in each of the next three brackets).

Part D premiums (Prescription Drug Benefit)

Most Medicare Prescription Drug Plans charge a monthly fee that varies by plan.

If your MAGI is above a certain amount, however, you may need to pay an additional “Part D IRMAA”. For 2020, the D-IRMAA (increase) will range from \$12.20 to \$76.40 per month (\$146.40 to \$916.80 for the year).

Thus, your combined IRMAA and D-IRMAA can increase anywhere from \$840 to \$5,080.80 for the year.