



# RRB News

## U.S. Railroad Retirement Board

Public Affairs 844 North Rush Street Chicago, Illinois 60611-2092

312-751-4777  
312-751-7154(fax)  
www.rrb.gov

No. 10-9

For Immediate Release  
November 2010

### Medicare Premiums for 2011

The Centers for Medicare & Medicaid Services has announced that the standard monthly Part B premium will be \$115.40 in 2011. However, most Medicare beneficiaries will not see an increase in their monthly Part B premiums because of a “hold-harmless” provision in current law. Monthly premiums for beneficiaries protected by this provision will continue to be \$96.40 or \$110.50, the same monthly amount that they paid in 2010.

Some beneficiaries will pay the new standard monthly premium of \$115.40 in 2011. These beneficiaries are not subject to the “hold-harmless” provision because they are new Medicare Part B enrollees during the year, they do not have their Part B premiums withheld from railroad retirement or social security benefit payments, or they are subject to the income-related additional premium amount (as explained below).

The Part B monthly premiums for some beneficiaries will increase again in 2011, depending on an individual’s or married couple’s modified adjusted gross income. The total monthly Part B premiums including income-related adjustments for 2011 will be \$161.50, \$230.70, \$299.90, or \$369.10, depending on the extent to which an individual beneficiary’s modified adjusted gross income exceeds \$85,000 (or a married couple’s income exceeds \$170,000), with the highest premium rates only paid by beneficiaries whose incomes are over \$214,000 (or \$428,000 for a married couple). The Centers for Medicare & Medicaid Services estimates that about 5 percent of Medicare beneficiaries with Part B will pay higher premiums in 2011 based on their incomes.

Beneficiaries in Medicare Part D prescription drug coverage plans pay premiums that vary from plan to plan. Beginning in 2011, the Affordable Care Act requires Part D beneficiaries whose modified adjusted gross income exceeds the same thresholds that apply to higher-income Part B beneficiaries to pay a monthly adjustment amount. These beneficiaries will pay the regular plan premium to their Part D plan and will pay the income-related adjustment to Medicare. The adjustment amounts range from \$12.00 to \$69.10.

The following tables show the income-related premium adjustments for 2011. The Social Security Administration (SSA) is responsible for all income-related monthly adjustment amount determinations. To make the determinations, SSA uses the most recent tax return information available from the IRS. For 2011, in most cases that will be the beneficiary’s 2009 tax return information. If that information is not available, SSA will use information from the 2008 tax return.

Those railroad retirement and social security Medicare beneficiaries affected by the 2011 Part B and D income-related premiums will receive a notice from SSA by December 2010. The notice will include an explanation of the circumstances where a beneficiary may request a new determination. Persons who have questions or would like to request a new determination should contact SSA **after** receiving their notice.

*(See reverse side for accompanying tables.)*

###

## 2011 MEDICARE PREMIUMS – INCOME ADJUSTMENTS

<b>Beneficiaries who file an individual tax return with modified adjusted gross income:</b>	<b>Beneficiaries who file a joint tax return with modified adjusted gross income:</b>	<b>Income-related Part B monthly adjustment amount</b>	<b>Total monthly Part B premium amount</b>	<b>Income-related Part D monthly adjustment amount</b>
Less than or equal to \$85,000	Less than or equal to \$170,000	\$0.00	\$115.40	\$0.00
Greater than \$85,000 and less than or equal to \$107,000	Greater than \$170,000 and less than or equal to \$214,000	\$46.10	\$161.50	\$12.00
Greater than \$107,000 and less than or equal to \$160,000	Greater than \$214,000 and less than or equal to \$320,000	\$115.30	\$230.70	\$31.10
Greater than \$160,000 and less than or equal to \$214,000	Greater than \$320,000 and less than or equal to \$428,000	\$184.50	\$299.90	\$50.10
Greater than \$214,000	Greater than \$428,000	\$253.70	\$369.10	\$69.10

The monthly premium rates paid by beneficiaries who are married, but file a separate return from their spouses and who lived with their spouses at some time during the taxable year, are different. Those rates are as follows:

<b>Beneficiaries who are married, but file a separate tax return, with modified adjusted gross income:</b>	<b>Income-related Part B monthly adjustment amount</b>	<b>Total monthly Part B premium amount</b>	<b>Income-related Part D monthly adjustment amount</b>
Less than or equal to \$85,000	\$0.00	\$115.40	\$0.00
Greater than \$85,000 and less than or equal to \$129,000	\$184.50	\$299.90	\$50.10
Greater than \$129,000	\$253.70	\$369.10	\$69.10