

## MEDICARE UPDATE | NATIONAL

# Changes to your retirees' Medicare premiums

To help you answer retirees' questions about Medicare premiums, we're updating you on changes the Social Security Administration (SSA) recently announced regarding:

- the 2017 monthly Medicare Part B premium
- adjustments to both the 2017 Medicare Part B and Part D premiums for higher-income beneficiaries

## 2017 standard Medicare Part B premiums

Medicare members who don't get Social Security benefits **will pay \$134.00** at the following income levels.<sup>1</sup>

- ▶ individuals with an annual income of \$85,000 or less
- ▶ married couples filing jointly with the combined annual income of \$170,000 or less

(See tables on reverse side.)

## 2017 income-related premium adjustments

**Higher-income beneficiaries will see premium adjustments** for both Medicare Part B and Part D. The Part B adjustment is in addition to the standard Part B premium. (See tables on reverse side.) The SSA has already begun notifying higher-income beneficiaries of these adjustments.

**The Part B premium and the Part B and Part D premium adjustments are paid directly to Medicare, not the health plan**, usually through a deduction from the beneficiary's monthly Social Security/Railroad Retirement benefit.

- ▶ If members don't pay their Part B premium and any premium adjustment that applies, the Centers for Medicare & Medicaid Services (CMS) will disenroll them from their Medicare health plan.
- ▶ If members don't pay their Part D premium adjustment, CMS will disenroll them from their Part D plan.

CMS requires us to follow these regulations and inform members that they have been disenrolled from their Kaiser Permanente Senior Advantage or Medicare Plus plan.<sup>2</sup>



### Help for Medicare premium adjustments

If your retirees and Medicare-eligible employees have income-related adjustments to their premiums, they have the right to appeal the decision. They can also request a new decision using more recent tax information, especially if their **income has decreased due to life-changing events**. If they have any questions, they can call the SSA at **800-772-1213**.



## Individuals

Annual income <sup>3</sup>	Monthly Part B premium amount	Monthly Part D adjustment
\$85,000 or less	\$134.00 <sup>1</sup>	N/A
\$85,001–\$107,000	\$187.50	\$13.30
\$107,001–\$160,000	\$267.90	\$34.20
\$160,001–\$214,000	\$348.30	\$55.20
Over \$214,000	\$428.60	\$76.20

## Married couples filing jointly

Annual income <sup>3</sup>	Monthly Part B premium amount	Monthly Part D adjustment
\$170,000 or less	\$134.00 <sup>1</sup>	N/A
\$170,001–\$214,000	\$187.50	\$13.30
\$214,001–\$320,000	\$267.90	\$34.20
\$320,001–\$428,000	\$348.30	\$55.20
Over \$428,000	\$428.60	\$76.20

## Married couples filing separately

Annual income <sup>3</sup>	Monthly Part B premium amount	Monthly Part D adjustment
\$85,000 or less	\$134.00 <sup>1</sup>	N/A
\$85,001–\$129,000	\$348.30	\$55.20
Over \$129,000	\$428.60	\$76.20

<sup>1</sup> You will pay this standard amount if you 1) Enroll in Part B for the first time in 2017. 2) Do not get Social Security benefits. 3) Are directly billed for your Part B premiums. See medicare.gov for complete details. However, most people who get Social Security benefits will pay \$109.00 on average in 2017.

<sup>2</sup> In regions that offer Kaiser Permanente Senior Advantage, members will be disenrolled from their Medicare plan for nonpayment of Part D premium adjustments. Members in these regions who do not pay their Part B premium adjustments will lose entitlement to Part B, also resulting in their disenrollment from their Medicare plan. In regions that offer Kaiser Permanente Medicare Plus, members who don't pay their Part D premium adjustments will be disenrolled from the group Medicare Plus plan with Part D and placed into either a group Medicare Plus plan without Medicare Part D coverage, or, if there is no group Medicare Plus plan without Part D, members will be placed into an individual Medicare Plus plan without Part D. In addition, some members may remain enrolled in the commercial group plan, but at a surcharged rate.

<sup>3</sup> Adjusted gross income as reported on 2015 federal tax return.

In California, Kaiser Permanente is an HMO plan and a Cost plan with a Medicare contract. In Hawaii, Oregon, Washington, Colorado, and Georgia, Kaiser Permanente is an HMO plan with a Medicare contract. In Virginia, Maryland, and the District of Columbia, Kaiser Permanente is a Cost plan with a Medicare contract. Enrollment in Kaiser Permanente depends on contract renewal.

Information may have changed since publication.



**For more information, please contact your Kaiser Permanente group Medicare retiree consultant.**