

## Medicare and you in 2010

### Medicare Part B Premium:

In 2010 most Medicare beneficiaries will not see an increase for Part B monthly premium and will continue to pay the same \$96.40 monthly premium. However, about 27% of Medicare beneficiaries will see an increase in their premium. This is a requirement of the Medicare Modernization Act of 2003 and the total premium is based on income. This is referred to as Income Related Monthly Adjustment Amount (IRMAA). Social Security will use the income reported two years ago on your IRS income tax return to determine your premium (if unavailable they will use income from three years ago). This means that 2008 income tax return will be used to determine your 2010 premium.

The chart below shows the Part B monthly premium amounts based on income.

| <b>Table 1: Part B Monthly Premium</b>   |  |  |
|--|--|--|
|  | Beneficiaries who file an <b>individual</b> tax return with income | Beneficiaries who file a <b>joint</b> tax return with income |
| <b>Your 2010 Part B Monthly Premium Is</b>                                     | <b>If Your Yearly Income Is</b>                                    |  |
| \$96.40 if beneficiary has SSA withhold in 2009<br><br>\$110.50 for all others | \$85,000 or less   | \$170,000 or less  |
| \$154.70<br><br>(increased by \$44.20 due to IRMAA)                            | \$85,001-\$107,000   | \$170,001-\$214,000  |
| \$221.00<br><br>(increased by \$110.50 due to IRMAA)                           | \$107,001-\$160,000  | \$214,001-\$320,000  |
| \$287.30<br><br>(increased by \$176.80 due to IRMAA)                           | \$160,001-\$214,000  | \$320,001-\$428,000  |

|  |                 |                 |
|--|-----------------|-----------------|
| \$353.60<br>(increased by \$243.10 due to IRMAA) | Above \$214,000 | Above \$428,000 |
|--|-----------------|-----------------|

It may be possible to use a more current year of income to determine the premium you pay if you have a life-changing event. Some examples of life changing events include: Death of a spouse, marriage, divorce, work reduction or stoppage, and reduction in or loss of certain forms of pension income. Events that DO NOT qualify include higher medical expenses, higher living expenses, loss of child support, loss of alimony.

#### Medicare Part D Drug Coverage

Now is also the time of year to review your Medicare prescription drug coverage. Medicare plans change every year and so do your needs. The plan that was right for you in 2009 may not be right in 2010. Each year you should review your plan to be sure it is still appropriate and will continue to meet the needs of you or your loved one.

The most efficient way to do this is to make a list of the drugs you take and compare it to the information and list of covered drugs you should have received from your current plan provider. If you plan to stay with your current plan you won't need to do anything. If you decide you need a new plan, you can do so by visiting the new plans website or Medicare.gov. All changes must be made by December 31, 2009 and become effective January 1, 2010.

If you are still unsure of how to proceed a geriatric care manager or other professional can offer explanations and guidance in these areas and more.