

**BOOMER** AGENCY INC.  
INSURANCE GROUP

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**Central Virginia**

**804-464-8960**



We could say the government spend like drunken sailors, but that would be unfair to drunken sailors, because the sailors are spending their own money.

— *Ronald Reagan* —

**AZ QUOTES**

Topic Reducing or Removing IRMAA

What is IRMAA?

What does IRMAA do?

***Ordinary*** examples of reducing/removing IRMAA

***Creative*** ways of reducing/removing IRMAA

# What is IRMAA

## Income Related Monthly Adjustment Amount

- Based on tax return 2 years ago.
- Adds an extra “surcharge” to Part **B**
- Adds an extra “surcharge” to Part **D**

# The extortion letter....

Social Security Administration  
**Medicare Premiums**  
Important Information

SOCIAL SECURITY  
1834 W CARY STREET  
RICHMOND VA 23220

Date: February 19, 2022

In January, we told you a Medicare law requires some people to pay higher premiums for Medicare Part B (Medical Insurance) and prescription drug coverage based on their income. We also told you that, based on information about your income, you would have to pay an income-related monthly adjustment amount.

If you currently do not have Medicare Part B or Part D and enroll in 2022, those premiums will also be increased based on your income.

### Your Income-Related Monthly Adjustment Amount

You will pay \$408.20 for the income-related monthly adjustment amount of your monthly Medicare Part B premium. This change will be effective March 2022.

### How We Decided Your Income-Related Monthly Adjustment Amount

To decide if your income is high enough that you must pay an income-related monthly adjustment amount, the Internal Revenue Service (IRS) gave us information about your modified adjusted gross income (MAGI) from your income tax return for 2020. MAGI is the sum of your adjusted gross income plus certain amounts of income that are not taxable. Adjusted gross income is from line 37 of the IRS Form-1040 and tax exempt interest income is from line 8b of IRS Form-1040. MAGI may include one-time only income, such as capital gains, the sale of property, withdrawals from an Individual Retirement Account (IRA) or conversion from a traditional IRA to a Roth IRA. One-time income will affect your Medicare income-related monthly adjustment amount for only one year.

IRS told us your MAGI in 2020 was \$1,277,800.00. In 2020, you had an adjusted gross income of \$1,266,216.00 plus tax-exempt interest income of \$11,584.00 and you filed your taxes with a tax filing status of Married, filing jointly. We used the following table to decide your income-related monthly adjustment amounts for the Medicare Part B and prescription drug coverage premiums:

See Next Page

# 2024 Medicare Costs

Income Related Monthly Adjustment Amount (*IRMAA*)  
Your Modified Adjusted Gross Income (*MAGI*) as reported to  
the IRS from 2 years ago is above a certain amount.

## **Part B** Monthly premium payment

*If your yearly income in 2022 was...*

<b>File individual tax return</b>	<b>File joint tax return</b>	<b>You pay (in 2024)</b>
\$103,000 or less	\$206,001 or less	\$174.70
above \$103,001 - \$129,000	above \$206,001 - \$258,000	\$244.60
above \$129,001 - \$161,000	above \$258,001 - \$322,000	\$349.40
above \$161,001 - \$193,000	above \$322,001 - \$386,000	\$454.20
above \$193,001 - \$499,999.99	above \$386,001 - \$749,999	\$559.00
greater than or equal to \$499,999.99	above \$749,999.99	\$594.00

## **Part D** Monthly premium payment

If your income is above certain limits, you will pay an Income Related Monthly Adjustment Amount (*IRMAA*) in addition to your Part D prescription drug plan monthly insurance premium payment.

*If your yearly income in 2022 was...*

<b>File individual tax return</b>	<b>File joint tax return</b>	<b>You pay (in 2024)</b>
\$103,000 or less	\$206,001 or less	your plan premium
above \$103,001 - \$129,000	above \$206,001 - \$258,000	\$12.90 + your plan premium
above \$129,001 - \$161,000	above \$258,001 - \$322,000	\$33.30 + your plan premium
above \$161,001 - \$193,000	above \$322,001 - \$386,000	\$53.80 + your plan premium
above \$193,001 - \$499,999.99	above \$386,001 - \$749,999	\$74.20 + your plan premium
greater than or equal to \$499,999.99	above \$749,999.99	\$81.00 + your plan premium

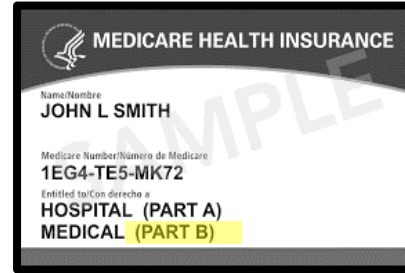
START

Option 1

or

Option 2

**\$174.70**  
**Part B Mo Pmt**  
**+ IRMAA**



Medicare Advantage  
(Part C)  
  
HMOs , PPOs , PFFSs  
Usually includes Part D drug coverage

**\$130**  
Average monthly payment

Medicare Supplement  
(Medigap)  
  
Plan  ? F,G,N

**\$174.70 – Part B Mo. Pmt**  
**+ IRMAA \$ \_\_\_\_ Part B**  
**+ IRMAA \$ \_\_\_\_ Part D**  
**+ \$0 Mo Pmt – Advantage Plan**

**\$30**  
Average monthly payment  
**+ IRMAA**

Medicare **Part D**  
Prescription Drug Plan (PDP)



# Reducing or Removing IRMAA

Form SSA-44 (11-2019)  
Discontinue Prior Editions  
Social Security Administration

Page 1 of 8  
OMB No. 0960-0784

## Medicare Income-Related Monthly Adjustment Amount - Life-Changing Event

If you had a major life-changing event and your income has gone down, you may use this form to request a reduction in your income-related monthly adjustment amount (IRMAA) and you experienced a life-changing event that may reduce your adjusted gross income plus certain tax-exempt income which we call "modified adjusted gross income" or MAGI from the Federal income tax return you filed for tax year 2018. If that year is available, we asked for your tax return information for 2017. We took this information and the table below to decide your income-related monthly adjustment amount.

The table below shows the income-related monthly adjustment amounts for Medicare premiums based on your tax filing status and income. If your MAGI was lower than \$87,000 (or lower than \$174,000.01 if you filed your taxes with the filing status of married, filing jointly in your most recent filed tax return, you do not have to pay any income-related monthly adjustment amount. If you do not have to pay an income-related monthly adjustment amount, you should not fill out this form even if you experienced a life-changing event.

If you filed your taxes as:	And your MAGI was:	Your Part B monthly adjustment is:	Your prescription drug coverage monthly adjustment is:
-Single, -Head of household, -Qualifying widow(er) with dependent child, or -Married filing separately (and you did not live with your spouse in tax year)*	\$ 87,000.01 - \$109,000.00	\$ 57.80	\$ 12.20
	\$109,000.01 - \$136,000.00	\$144.60	\$ 31.50
	\$136,000.01 - \$163,000.00	\$231.40	\$ 50.70
	\$163,000.01 - \$500,000.00	\$318.10	\$ 70.00
	More than \$500,000.00	\$347.00	\$ 76.40
-Married, filing jointly	\$174,000.01 - \$218,000.00	\$ 57.80	\$ 12.20
	\$218,000.01 - \$272,000.00	\$144.60	\$ 31.50
	\$272,000.01 - \$326,000.00	\$231.40	\$ 50.70
	\$326,000.01 - \$750,000.00	\$318.10	\$ 70.00
-Married, filing separately (and you lived with your spouse during part of that tax year)*	\$87,000.00 - \$413,000.00	\$318.10	\$ 70.00
	More than \$413,000.00	\$347.00	\$ 76.40

\* Let us know if your tax filing status for the tax year was Married, filing separately, but you lived apart from your spouse at all times during that tax year.

Form SSA-44 (12-2023)

Page 2 of 8

## STEP 1: Type of Life-Changing Event

Check **ONE** life-changing event and fill in the date that the event occurred (mm/dd/yyyy). If you had more than one life-changing event, please call Social Security at 1-800-772-1213 (TTY 1-800-325-0778).

Marriage  
 Divorce/Annulment  
 Death of Your Spouse  
 Work Stoppage  
 Work Reduction  
 Loss of Income-Producing Property  
 Loss of Pension Income  
 Employer Settlement Payment

Date of life-changing event:  mm/dd/yyyy

Form SSA-44 (12-2023)

Page 2 of 8

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 Work Stoppage  
 Work Reduction  
 Loss of Income-Producing Property  
 Loss of Pension Income  
 Employer Settlement Payment

Date of life-changing event:  mm/dd/yyyy

## STEP 2: Reduction in Income

Fill in the tax year in which your income was reduced by the life-changing event (see instructions on page 6), the amount of your adjusted gross income (AGI, as used on line 11 of IRS form 1040) and tax-exempt interest income (as used on line 2a of IRS form 1040), and your tax filing status.

Tax Year:  20

Adjusted Gross Income: \$

Tax-Exempt Interest: \$

Tax Filing Status for this Tax Year (choose **ONE**):

Single  
 Married, Filing Jointly  
 Head of Household  
 Married, Filing Separately  
 Qualifying Widow(er) with Dependent Child

## STEP 3: Modified Adjusted Gross Income

Will your modified adjusted gross income be lower next year than the year in STEP 2?

No - Skip to STEP 4  
 Yes - Complete the blocks below for next year

Tax Year:  20

Estimated Adjusted Gross Income: \$

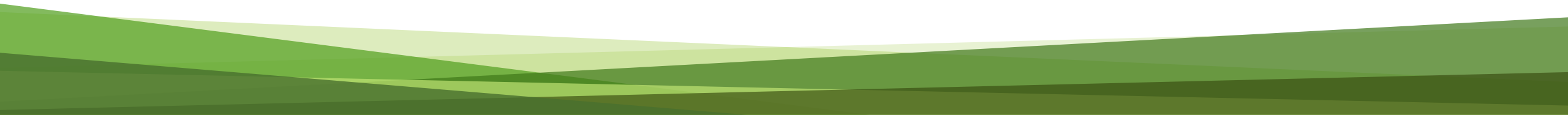
Estimated Tax-Exempt Interest: \$

Expected Tax Filing Status for this Tax Year (choose **ONE**):

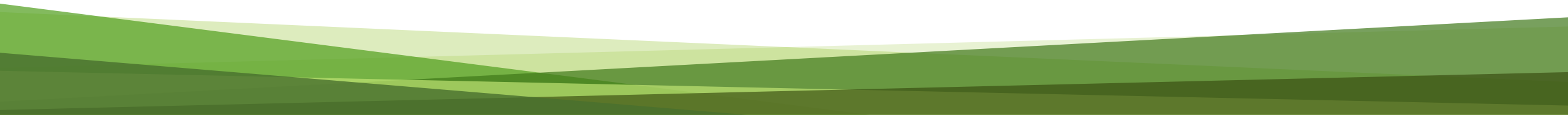
Single  
 Married, Filing Jointly  
 Head of Household  
 Married, Filing Separately  
 Qualifying Widow(er) with Dependent Child



# Typical IRMAA paperwork

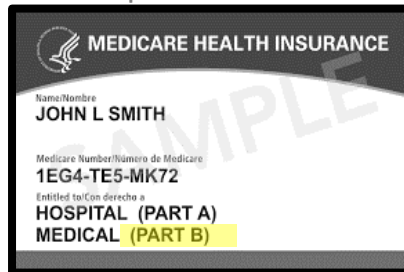
- Recently **retired** within last two years
  - Recently **reduced work hours** within last two years
  - Spouse passed away
  - Divorce *(financial or for real)*
- 

# Creative IRMAA paperwork

- Recently **quit** *consulting*
  - Recently *got a job and quit*
  - Sale of rental property...needs disaster
  - Example of bookkeeper selling land
  - Employer settlement (Deferred Compensation / Severance)
- 

START

Option 1



MEDICARE HEALTH INSURANCE

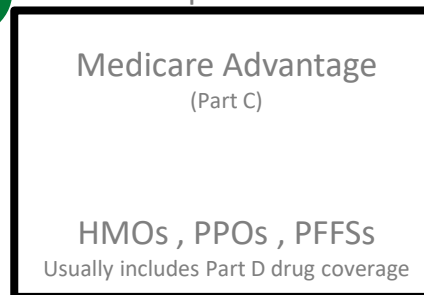
Nombre/Nombre  
**JOHN L SMITH**

Medicare Number/Número de Medicare  
**1EG4-TE5-MK72**

Entitled to/Con derecho a  
**HOSPITAL (PART A)**  
**MEDICAL (PART B)**

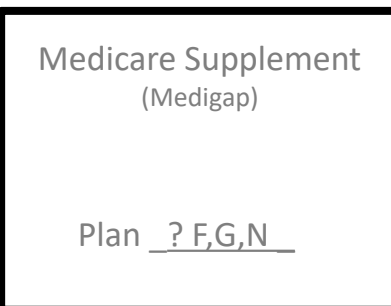
or

Option 2



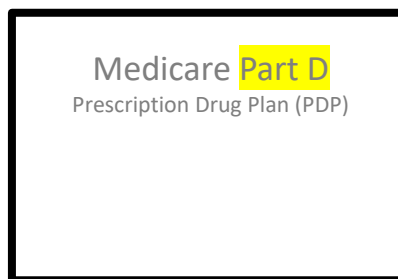
Medicare Advantage  
(Part C)

HMOs , PPOs , PFFSs  
Usually includes Part D drug coverage



Medicare Supplement  
(Medigap)

Plan  ? F,G,N



Medicare **Part D**  
Prescription Drug Plan (PDP)

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Check **ONE** life-changing event and fill in the date that the event occurred (mm/dd/yyyy). If you had more than one life-changing event, please call Social Security at 1-800-772-1213 (TTY 1-800-325-0778).

- |   |  |
|---|--|
| <input type="checkbox"/> Marriage             | <input type="checkbox"/> Work Reduction                    |
| <input type="checkbox"/> Divorce/Annulment    | <input type="checkbox"/> Loss of Income-Producing Property |
| <input type="checkbox"/> Death of Your Spouse | <input type="checkbox"/> Loss of Pension Income            |
| <input type="checkbox"/> Work Stoppage        | <input type="checkbox"/> Employer Settlement Payment       |

Date of life-changing event:   
mm/dd/yyyy

**STEP 2: Reduction in Income**

Fill in the tax year in which your income was reduced by the life-changing event (see instructions on page 6), the amount of your adjusted gross income (AGI, as used on line 11 of IRS form 1040) and tax-exempt interest income (as used on line 2a of IRS form 1040), and your tax filing status.

Tax Year	Adjusted Gross Income	Tax-Exempt Interest
20 <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Tax Filing Status for this Tax Year (choose **ONE**):

<input type="checkbox"/> Single	<input type="checkbox"/> Head of Household	<input type="checkbox"/> Qualifying Widow(er) with Dependent Child
<input type="checkbox"/> Married, Filing Jointly	<input type="checkbox"/> Married, Filing Separately	

**STEP 3: Modified Adjusted Gross Income**

Will your modified adjusted gross income be lower next year than the year in Step 2?

- No - Skip to STEP 4  
 Yes - Complete the blocks below for next year

Tax Year	Estimated Adjusted Gross Income	Estimated Tax-Exempt Interest
20 <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Expected Tax Filing Status for this Tax Year (choose **ONE**):

<input type="checkbox"/> Single	<input type="checkbox"/> Head of Household	<input type="checkbox"/> Qualifying Widow(er) with Dependent Child
<input type="checkbox"/> Married, Filing Jointly	<input type="checkbox"/> Married, Filing Separately	