

Informational Update Vol 15 # 11 December 23,2024

1. 2024 Social Security Letter – If you are Medicare-eligible, you should have received your Social Security Administration (SSA) verification letter (came toward the end of November), informing you of your 2025 Social Security benefit amount before and after deductions. If you have not received this letter, call Social Security or, if you have an SSA account, go to it's website, www.ssa.gov, where this information is now available. If you do not have an account, you can open one online. Do not hesitate to give the information requested as the website is safe and secure.

You will find the SSA website contains a chock-full-of information including, but not limited to, your 2025 Social Security Benefits letter, your Social Security Statement, your current Benefit Verification Letter, and your Part B & D premiums. You can also replace your Social Security card and your 2024 SSA-1099 tax letter.

Your Social Security benefit amount will increase by 2.5% starting January 1, 2025, due a rise in the cost of living. Social Security deducts from this amount your Medicare Part B (medical) premium, your IRMAA Medicare Part D (drugs).premium (if applicable), and, if you want, federal tax.

Medicare Part B Premium

Your Medicare Part B premium is divided into 2 parts: the standard amount & IRMAA (Income-Related Monthly Adjustment Amounts). Everyone who is Medicare-eligible pays the same standard amount. For 2025, the standard amount is \$185.00 per month, up \$10.30 from \$174.70 in 2024.

IRMAA is a monthly surcharge that is deducted ONLY from those Medicare-eligible members whose taxable income (based on your 2023 income tax return) surpasses a certain threshold. In 2025 the threshold is \$106,000 if you filed individually (up \$3,000 from 2024) and \$212,000 if you filed jointly (up \$6,000 from 2024). The SSA letter contains a chart indicating various income thresholds and the monthly amounts of the surcharge.

Medicare Part D Premium

If you have a Medicare Part D drug plan through the city, you must have a High Option Rider. You either purchased this rider as an active employee or purchased it after you retired. The High Option Rider is currently \$120 a month and is going up to \$150 starting January 1, 2025. This amount is deducted from your pension check.

If you are eligible, you will also pay IRMAA Medicare Part D. The amount is based on your 2023 income tax return. The SSA letter contains a chart indicating various income thresholds and the monthly amounts of the surcharge.

How Much You Will Get

Please note the first page of the SSA letter contains 4 bullets. The first one shows how much your SS benefit for 2025 is before deductions, provided you are collecting Social Security. The second shows the 2025 deductions for Medicare Part B for the standard amount and for IRMAA (if not eligible, the IRMAA deduction should be 0).

The good news is that the 2025 Part B standard amount & IRMAA deductions are both reimbursable. You will receive the standard amount automatically, probably sometime in April 2026. IRMAA reimbursement is not automatic; you must apply for it. The application is generally available when you receive your standard reimbursement.

The 3rd bullet shows the 2024 deduction for Part D IRMAA. If you have an IRMAA deduction for Part B then you will also have one for Part D. Please note that Part D IRMAA is NOT reimbursable.

The 4th bullet lists your SSA benefit amount after all deductions.

If you are eligible for IRMAA in 2025, keep your 2025 Benefits SSA letter in a safe place. You will need to include it, along with your 2025 SSA-1099 letter, in the application package when you file for 2025 Part B IRMAA.

2. \$15 Copay – Last week, Senior Care Plan members received a letter announcing that the previous \$15 copays that had been suspended are resuming January 1, 2025, by a new court order. This copay is for EmblemHealth-GHI's portion of the GHI/Anthem Senior Care Plan. You will have to pay a \$15 copayment for primary care doctor and specialist office visits as well as lab tests.

Enclosed with this letter was your new EmblemHealth Senior Care member ID card. This card should be used starting January 1, 2025, although you can continue to use your old card until the end of 2024.

Just like the previous one, the NYC Public Retirees is appealing the resumed copay which starts January 1, 2025. We have heard that if this appeal is won (the ruling will occur sometime in 2025) you will get back any paid copays. That said, it is important to keep a careful record of all your copays.

3. Question of the Month

Q. I am having 4 lab tests done on my blood in January. How many \$15 copays do I have to pay?

A. If you go to the lab once for the 4 tests, you pay only a \$15 copay. Keep in mind, there is a \$15 copay for each lab visit.