KJC Insurance

MEDICARE - HERE'S WHAT YOU NEED TO KNOW

Medicare Cost 2025		
	PART A	**PART B**
Monthly Premium	**$0**	**$185.00**
Deductible	**$1,676 per benefit period**	**$257 per year**
Cost Sharing	**$0 for the first 60 days of benefit period**	**Medicare pays 80%, you pay 20%**
	$419/day for days 61-90	**No limit on total out- of-pocket costs**
	$838 per "lifetime reserve day" after 90 days (max of 60 days over your lifetime)	

Medicare IRMAA Chart 2025			
Individual Tax Return 2023	**Joint Tax Return 2023**	**PART B Premium 2025**	**PART D IRMAA 2025**
$106,000 or less	**$212,000 or less**	**$185.00**	**---**
$106,001 to $133,000	**$212,001 to $266,000**	**$259.00** (185.00 + 74.00)	**+ $13.70**
$133,001 to $167,000	**$266,001 to $334,000**	**$370.00** (185.00 + 185.00)	**+ $35.30**
$167,001 to $200,000	**$334,001 to $400,000**	**$480** (185.00 + 295.90)	**+ $57.00**
$200,001 to $499,999	**$400,001 to $749,999**	**$591.90** (185.00 + 406.90)	**+ $78.60**
$500,000 +	**$750,000 +**	**$628.90** (185.00 + 443.90)	**+ $85.80**

Medicare Enrollment Periods

Open Enrollment Period	All Year	Annual Election Period
January 1 - March 31	You can enroll in a Medicare Supplement (Medigap) plan at any point in the year *Must pass medical underwriting	October 15 - December 7
During OEP, you can make one change to your Medicare Advantage plan		During AEP, you can enroll in Advantage & Part D Drug plans for 2026

Initial Enrollment Period	Special Election Periods
Your Medicare will typically start on the 1st day of the month you turn 65th (unless you delay it due to having other coverage). This is your time to get a Supplement without health questions!	Certain events allow you to make changes to your coverage outside of the enrollment periods listed. Common SEPs include: moving, losing coverage, and getting / losing Medicaid benefits.

Initial Enrollment Period		Special Election Periods	
SURVIVOR BENEFITS		ALL OTHER BENEFITS	
1945 - 1965	66	1943 - 1954	66
1957	66 and 2 months	1955	66 and 2 months
1958	66 and 4 months	1956	66 and 4 months
1959	66 and 6 months	1957	66 and 6 months
1960	66 and 8 months	1958	66 and 8 months
1961	66 and 10 months	1959	66 and 10 months
1962 and later	67	1960 and later	67

Spousal Benefit Formula
(1/2 of higher earner FRA benefit) - (lower earner FRA benefit) = spousal payment (then adjusted for filing age)

Age-Based Reductions & Increases			
Filling Age	Individual Benefit % of Benefit	Spousal Benefit % of Benefit**	Survivor Benefit % of Benefit
60	N/A	N/A	71.50%
61	N/A	N/A	75.58%
62	70%	65%	79.65%
63	75%	70%	83.72%
64	80%	75%	87.79%
65	86.66%	83.33%	91.86%
66	93.33%	91.66%	95.93%
67	100%	100%	100%
68	108%	100%	100%
69	116%	100%	100%
70	124%	100%	100%

Note: Assuming a Full Retirement Age of 67

Social Security Earnings Limit		Social Security Earnings Limit
Age	**Earnings Limit**	**Benefit Withheld**
62 - January 1 of the year reaching Full Retirement Age	$23,400	$1 for every $2 over limit
Year reaching Full Retirement Age	$62,160	$1 for every $3 over limit
Full Retirement Age	No Limit	N/A

What Counts as "Earnings" for the Limit?	
WHAT DOES COUNT?	**WHAT DOES NOT COUNT?**
Wages	Pension Payments
Net Earnings from Self-Employment	Annuity Payments
	IRA Distributions
	Dividends
	Interest Income
	Capital Gains

Monthly Reductions / Increases	
Individual Benefits	
(-) 5/9 of 1%	36 month period before full retirement age
(-) 5/12 of 1%	More than 36 months before full retirement age
(+) 2/3 of 1%	Full Retirement Age to Age 70
Spousal Benefits	
(-) 25/36 of 1%	36 month period before full retirement age
(-) 2/12 of 1%	More than 36 months before full retirement age
No increase beyond full retirement age	
Survivors Benefits	
28.5% is maximum reduction regardless of full retirement age. To determine the monthly amount of reduction based on various full retirement ages, divide the number of months between age 60 and full retirement age by 28.5	

Tax on Social Security

Step 1	Calculate Combined Income	Step 2	Apply Combined Income to Threshold		
	Adjusted Gross Income		Single Return	Joint Return	% of Social Security Subject to Tax
	+ Tax Exempt Income		$0 - $24,999 $25,000 - $34,000 Over $34,000	$0 - $31,999 $32,000 - $44,000 Over $44,000	$0 Up to 50% Up to 85%
	+ Exclude Foreign Income				
	+ 50% of SS Benefit				
	= Combined Income				

Maximum % of YOUR full retirement age benefit an eligible family member can receive if you:

Die	Retire (OR) Become Disabled	Age-Based Considerations	
SPOUSAL BENEFIT	100% (ADJUSTED FOR SURVIVOR'S FILING AGE)	50% (ADJUSTED FOR SURVIVOR'S FILING AGE)	If you retire or become disabled, your spouse can collect at age 62+ or any age if caring for your child who is under 16 or disabled before the age of 22 If you die, your spouse of any age who is caring for your child who is under 16 or child of any age if child was disabled before 22
CHILD IN CARE BENEFIT	75%	50%	Payable to spouse of any age who is caring for your child who is under 16 or child of any age if child was disabled before 22
BENEFIT TO CHILDREN	75%	50%	Payable to child who is under 18, or 19 if still in high school of any age if disabled before 22

Social Security Disability Threshholds	
SUBSTANTIAL GAINFUL ACTIVITY	
Non-Blind	**$1,620 per month**
Blind	**$2,700 per month**
Trial Work Period	**$1,160 per month**

Average Social Security Benefit	
SUBSTANTIAL GAINFUL ACTIVITY	
$1,976	**All Retirees**
$3,089	**Couple, both receiving benefits**
$1,580	**Disability**

KJC Insurance