



# RRB News

## U.S. Railroad Retirement Board

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### **RRB to Begin Withholding Medicare Part C and D Premiums**

Beginning with the premiums due for June 2011, the U.S. Railroad Retirement Board (RRB) will be able to withhold premiums for Medicare Part C (Medicare Advantage Plans) and Medicare Part D (prescription drug plans) from benefit payments. Beneficiaries should contact their plans to request withholding of these premiums from their monthly benefit payments.

Part C and Part D premiums vary according to the plan and provider. Beginning in 2011, the Affordable Care Act requires some Part D beneficiaries to also pay an additional monthly adjustment amount, depending on a beneficiary's or married couple's modified adjusted gross income. Under this new requirement, beneficiaries pay the regular premium to their Part D plan and the monthly adjustment amount directly to the RRB.

While the RRB will be able to deduct the regular Part D premiums for individuals who elect to have them withheld from their benefit payments, Part D enrollees subject to the monthly adjustment amount will continue to receive a bill for that portion as the agency is unable to deduct those amounts from benefits at this time.

The Part D income-related monthly adjustment amounts are \$12.00, \$31.10, \$50.10 or \$69.10, depending on the extent to which an individual beneficiary's modified adjusted gross income exceeds \$85,000 or a married couple's income exceeds \$170,000. The highest amount is only paid by beneficiaries whose incomes are over \$214,000 (or \$428,000 for a married couple). The Social Security Administration determines if a monthly adjustment amount is due, based upon the most recent tax return information available from the IRS.

The RRB has worked closely with the Centers for Medicare & Medicaid Services on implementation of Part C and Part D premium withholding, with the end result simplifying the withholding system so as to minimize the data exchange and processing required of both agencies.

The RRB is also reminding Medicare beneficiaries that, beginning in the fall of 2011, the annual enrollment period for Part C and Part D coverage will begin and end earlier. Effective this year, the annual enrollment period will be from October 15 to December 7. (Previously, it ran from November 15 to December 31.) However, changes and enrollments made during this period will still be effective on January 1 of the following year.

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