

AT&T Ameritech /SBC Retirees - We are AASBCR®

Blue Bulletin

Vol.6 No 15
December 11, 2011

Proudly working on behalf of retirees of the Bell System and successor companies of the New AT&T, located worldwide

Learning a new set of rules at age 65 – Medicare (5th in a series)

Monthly Premiums for Medicare Part B in 2012

The monthly premium you pay for Part B Medicare coverage will most likely go up slightly next year. Most people with Medicare Part B insurance will pay a monthly premium of \$99.90 in 2012, an increase of \$3.50 over the current \$96.40.

The Part B premium has remained the same for the past three years. This is because there has been no Cost of Living Adjustment (COLA) to Social Security benefits in 2011 and 2010. The COLA increases Social Security benefits each year to reflect increases in the cost of living. By law the Social Security payment is not allowed to decrease because the Part B premium increased. This is called being “held harmless”.

In 2012 the standard Part B premium will be \$99.90. The COLA will raise Social Security benefits 3.6 percent. This increase in Social Security benefits, for most people, will be greater than the Part B premium increase.

There are a few exceptions to this. People who were not “held harmless” or were new to Medicare in 2010 or 2011 paid higher premiums of \$110.50 or \$115.40. Their premiums will decrease to \$99.90 in 2012.

People with higher annual incomes (above \$85,000 for a single person or \$170,000 for a couple) may pay more for Part B. Their Part B Premiums will be based on their incomes.

Those individuals with a Medicare Advantage plan may also have to pay an additional premium to the private insurance company that provides their Medicare benefits.

For more information or questions on Medicare, contact 1-800-633-4227 or www.medicare.gov

