

Pension E-lert



2017 Medicare Premium Subsidy Update

The following is an update in Medicare Premium Subsidy Reimbursement. **PLEASE READ CAREFULLY.** Information from the Centers for Medicare and Medicaid Services (CMS) may change, but the amount of subsidy set by the Board of Trustees has been approved at the following rates.



Medicare Part A

The 2017 Medicare A base premium will be \$413 (a \$2 increase from 2016). The subsidy for this premium will be 50% of the cost equal to \$206.50. Everyone receiving a Medicare Part A premium subsidy in their pension check is enrolled in the CTPF MedPay program. Changes will be automatically applied.

Medicare Part B

The base 2017 monthly premium for Medicare Part B will be \$134 for the following Medicare enrollees. If you are:

- Not receiving a Social Security Benefit
- Enrolled in Part B for the first time in 2017
- Direct billed for the Part B premium
- Subject to an income-related premium (IRMAA)

For a member in this category, CTPF will subsidize the Part B premium at \$65.50 per month with proof of premium amount.

All other Medicare Part B Enrollees

These members will receive a flat-rate subsidy of \$54.50 per month, equivalent to 50% of the average Part B premium announced by CMS. This amount will be applied to all members in this category regardless of the final premium determined by Medicare.

Effective January 1, 2017, and regardless of your current Medicare B premium, CTPF will assume you are in this group and your subsidy will be changed to \$54.50/month. If you should not be in this group and are paying higher premiums, proof must be submitted to CTPF in order to receive a higher subsidy.

Providing proof of a higher Medicare B premium to CTPF:

- Members must send proof to CTPF by 1/31/17 to have the subsidy applied beginning January 1, 2017. Proof received/ postmarked by 1/31/17 will be retroactively adjusted.
- For proof received after 1/31/17 but before the 10th of the month, the subsidy will be applied beginning with the next payroll month. Proof received later than the 10th will result in an additional one month delay in applying the subsidy.
- A document that clearly shows your individual monthly 2017 Part B premium amount is required as proof of premium.

***** All subsidy changes will be reflected in your 2017 pension check. *****



For more information about the subsidy process,
[please click here.](#)

[2017 Medicare Premium Subsidy & FAQ's](#)

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