

## Monthly premium for drug plans

Most drug plans charge a monthly fee that varies by plan. You pay this in addition to the Part B premium. If you're in a Medicare Advantage Plan (Part C) or Medicare Cost Plan with drug coverage, the monthly premium may include an amount for drug coverage.

### Note

**The same insurance company may offer Medigap policies and Medicare drug plans.**

If you join a Medigap policy and a Medicare drug plan offered by the same company, you may need to make 2 separate premium payments for your coverage. Contact your insurance company for more details.

## Get your premium automatically deducted

Contact your plan (not Social Security or the Railroad Retirement Board (RRB)) if you want your premium deducted from your monthly Social Security or RRB payment. If you want to stop premium deductions and get billed directly, contact your plan.

## How much does Part D cost?

Most people only pay their Part D premium. If you don't sign up for Part D when you're first eligible, you may have to pay a [Part D late enrollment penalty](#).

If you have a higher income, you might pay more for your Medicare drug coverage. If your income is above a certain limit (\$87,000 if you file individually or \$174,000 if you're married and file jointly), you'll pay an extra amount in addition to your plan premium (sometimes called "Part D-IRMAA"). You'll also have to pay this extra amount if you're in a Medicare Advantage Plan that includes drug coverage. This doesn't affect everyone, so most people won't have to pay an extra amount. If you have Part B and you have a higher income, you may also have to pay an extra amount for your Part B premium, even if you don't have drug coverage. The chart below lists the extra amount costs by income.

Social Security will contact you if you have to pay Part D IRMAA, based on your income. The amount you pay can change each year. If you have to pay a higher amount for your Part D premium and you disagree (for example, if your income goes down), [use this form to contact Social Security \[PDF, 125 KB\]](#). If you have questions about your Medicare drug coverage, contact your plan.

### Note

The extra amount you have to pay isn't part of your plan premium. You don't pay the extra amount to your plan. Most people have the extra amount taken from their Social Security check. If the amount isn't taken from your check, you'll get a bill from Medicare or the Railroad Retirement Board. You must pay this amount to keep your Part D coverage. You'll also have to pay this extra amount if you're in a Medicare Advantage Plan that includes drug coverage.

If Social Security notifies you about paying a higher amount for your Part D coverage, you're required by law to pay the Part D-Income Related Monthly Adjustment Amount (Part D IRMAA). If you don't pay the Part D IRMAA, you'll lose your Part D coverage.

## Employer/Union coverage and Part D IRMAA

### Note

**You pay your Part D IRMAA directly to Medicare, not to your plan or employer.**

You're required to pay the Part D IRMAA, even if your employer or a third party (like a teacher's union or a retirement system) pays for your Part D plan premiums. If you don't pay the Part D IRMAA and get disenrolled, you may also lose your retirement coverage and you may not be able to get it back.

## Things to remember

Pay your Part D IRMAA bill to Medicare as soon as you get it. [Find out how to pay your bill.](#) Keep your address current with Social Security, even if you don't get a Social Security check.

## Part D premiums by income

The chart below shows your estimated prescription drug plan monthly premium based on your income as reported on your IRS tax return. If your income is above a certain limit, you'll pay an income-related monthly adjustment amount in addition to your plan premium.

### 2020

If your filing status and yearly income in 2018 was			
File individual tax return	File joint tax return	File married & separate tax return	You pay each month (in 2020)
\$87,000 or less	\$174,000 or less	\$87,000 or less	your plan premium
above \$87,000 up to \$109,000	above \$174,000 up to \$218,000	not applicable	\$12.20 + your plan premium
above \$109,000 up to \$136,000	above \$218,000 up to \$272,000	not applicable	\$31.50 + your plan premium
above \$136,000 up to \$163,000	above \$272,000 up to \$326,000	not applicable	\$50.70 + your plan premium
above \$163,000 and less than \$500,000	above \$326,000 and less than \$750,000	above \$87,000 and less than \$413,000	\$70.00 + your plan premium
\$500,000 or above	\$750,000 and above	\$413,000 and above	\$76.40 + your plan premium

**2021**

<b>If your filing status and yearly income in 2019 was</b>			
<b>File individual tax return</b>	<b>File joint tax return</b>	<b>File married &amp; separate tax return</b>	<b>You pay each month (in 2021)</b>
\$88,000 or less	\$176,000 or less	\$88,000 or less	your plan premium
above \$88,000 up to \$111,000	above \$176,000 up to \$222,000	not applicable	\$12.30 + your plan premium
above \$111,000 up to \$138,000	above \$222,000 up to \$276,000	not applicable	\$31.80 + your plan premium
above \$138,000 up to \$165,000	above \$276,000 up to \$330,000	not applicable	\$51.20 + your plan premium
above \$165,000 and less than \$500,000	above \$330,000 and less than \$750,000	above \$88,000 and less than \$412,000	\$70.70 + your plan premium
\$500,000 or above	\$750,000 and above	\$412,000 and above	\$77.10 + your plan premium