

Informational Update Vol 17 #1

1. 2026 Medicare Part B Deductible

Medicare Part B, which covers doctor visits, other health provider visits, some preventive care, outpatient care, durable medical equipment, and some home health services, has an annual deductible.

This deductible reset on January 1, 2026. It **increased by \$26** from \$257 to **\$283**. The GHI/Emblem Health annual deductible remains the same, **\$50**.

Medicare-eligible individuals start paying the Part B deductible when they receive services from a Medicare provider. The amount paid depends on the provider's services and the Medicare-approved amount for those services. Any remaining deductible balance will be applied to future Medicare-covered visits. I recommend keeping track of your deductible payments to ensure you do not exceed the annual limit.

Medicare normally pays 80% of a Medicare-approved service. GHI/Emblem Health generally picks up the other 20%. Medicare will not pay the 80% until the \$283 deductible is met.

Example:

- Doctor's total bill is \$350
- Medicare approves \$300 for the service
- You pay the full \$283 deductible, leaving \$17

In 2026, the \$15 copay continues for each Part B service. The copay goes to GHI/Emblem Health as part of their secondary payment. Most providers will collect the copay before they even render the service. Those who do not collect a copay in the office will most likely send you a bill.

As you may be aware, the \$15 copay appeal is still pending in court. We have been advised that there may be a favorable outcome shortly, in which the copays could be reimbursed. In the meantime, continue to keep a record of your copays.

2. Part B Premium

In 2026, the **standard** Medicare Part B premium increased by **\$17.90** from \$185 to **\$202.90**. Although most Medicare-eligible individuals pay the **standard** premium, some pay more. Individuals with Medicare-adjusted 2024 taxable income exceeding **\$109,000** (single filers) or **\$218,000** (joint filers) are subject to an **Income-Related Monthly Adjustment Amount (IRMAA)**. This surcharge is added to the standard **Medicare Part B premium** and also applies to **Medicare Part D** coverage. The increase these individuals pay varies, depending on how much taxable income they received in **2024**.

The good news is **that both the standard and Part B IRMAA amounts** are still reimbursable. Unfortunately, the **Part D IRMAA surcharge** is NOT. While the **Office of Labor Relations (OLR) automatically reimburses the standard amount, typically in the middle of April**, individuals must submit an application for the **Part B IRMAA reimbursement** to the OLR.

The 2025 IRMAA application should be available in May.

3. 2026 Medicare Part D Drug Costs

Starting January 1, Medicare-eligible members covered by Prime Therapeutics - the new Pharmacy Benefit Manager - continue to pay **25%** of the prescription drug cost while the plan pays **75%**. However, your out-of-pocket copays for covered prescription drugs cannot exceed **\$2,100**. Once you reach that amount, you no longer pay for covered drugs. Last year, the cap was \$2,000. The \$100 increase is a relatively small price to pay, considering the cost of some specialty and brand-name drugs.

Medicare prescription payment plan. Under this plan, you can pay for your medications in monthly installments (no interest) or in full. You must inform your Part D drug plan to implement this plan.

If you choose monthly installments, then the cost must be paid over the calendar year. Further, your plan will bill you monthly; you will not pay the pharmacy directly.

High Option Rider. The High Option Rider, which pays for your city-provided drug plan, increased from \$150 to \$180 monthly for a member or \$360 for the member and dependent.

4. Question of the Month

Q. I am a Medicare-eligible retiree and pay my Part B premium to Social Security. I received a letter from Social Security in December 2025 to make my 1st 2026 IRMAA at the end of December. When I file for 2026 IRMAA at the proper time, do I include proof of this payment with my 2026 application?

A. Yes. Although you made the 1st payment in 2025, it counts toward your 2026 IRMAA payments and will be reimbursable when you apply for 2026 IRMAA.

Have a great and safe day.

Norm Sherman

CSARC Florida Liaison and Outreach Coordinator

Tel #: 561-638-6439

email: nshermzie@aol.com