



Medicare Premiums Increasing in 2021

By Claire E. Toth, JD, MLT, CFP™
Vice President and Financial Planner

After several years of small increases—or no increases at all—to Medicare premiums, 2021 will see a jump of about 2.5 percent. For Medicare part B, the base premium—paid by about 70 percent of retirees—will jump from \$135.50 monthly to \$148.50. Part D, the prescription drug plan, will remain essentially flat—monthly costs will drop from 10 to 30 cents.

2021 premiums are based on 2019 Modified Adjusted Gross Income (MAGI), as follows:

2021 Monthly Premium Part B	2021 Monthly Premium Part D	Married Filing Jointly 2019 MAGI	Single 2019 MAGI
\$148.50	\$0	Up to \$176,000	Up to \$88,000
\$207.90	\$12.30	\$176,001-\$222,000	\$88,001-\$111,000
\$297.00	\$31.80	\$222,001-\$276,000	\$111,001-\$138,000
\$386.10	\$51.20	\$276,001-\$330,000	\$138,001-\$165,000
\$475.20	\$70.70	\$330,001-\$750,000	\$165,001-\$500,000
\$504.90	\$77.10	➤ \$750,000	➤ \$500,000

MAGI appears nowhere on your tax return. To determine your MAGI, begin with adjusted gross income—line 8b. To that number, add back the untaxed portion of any Social Security benefits you received (the difference between lines 5a and 5b), along with any tax-exempt interest (line 2a). If you worked overseas and had any salary not taxed in the U.S., add that back as well. The result is your MAGI.

Please contact your wealth advisor or Claire Toth (ctoth@ptview.com) with any questions.

Nondeposit investment products are not insured by the FDIC; are not deposits or other obligations of, or guaranteed by, Peapack-Gladstone Bank; and are subject to investment risks, including possible loss of the principal amount invested.