

Subsec. (b). Pub. L. 96-499, §947(b), inserted “(except as otherwise provided in section 1395v(e) of this title)”.

1972—Subsec. (a)(1). Pub. L. 92-603, §201(c)(3)(A), inserted “or (in the case of a disabled individual who has not attained age 65) July 1, 1973” after “July 1, 1966”.

Subsec. (a)(2). Pub. L. 92-603, §201(c)(3)(B), substituted in subpar. (A) “paragraph (1) or (2)” for “paragraphs (1) and (2)” and in subpars. (B) to (D) “paragraph” for “paragraphs”.

Subsec. (a)(3). Pub. L. 92-603, §206(b), added par. (3).

Subsec. (b). Pub. L. 92-603, §§206(c), 257(a), inserted provisions relating to an individual who is deemed to have enrolled for medical insurance pursuant to section 1395p(f) of this title and an individual who is deemed enrolled for medical insurance benefits pursuant to section 1395p(f) of this title and struck out provisions limiting the allowable grace period to 90 days and inserted provision for extension of such period of up to 180 days where failure to pay premiums is due to good cause.

Subsecs. (c), (d). Pub. L. 92-603, §202(c)(3)(C), added subsec. (c) and redesignated former subsec. (c) as (d).

1968—Subsec. (b). Pub. L. 90-248 struck out “, during a general enrollment period described in section 1395p(e) of this title,” after “notice” in par. (1), and substituted in first sentence following par. (2) “the calendar quarter following the calendar quarter” for “December 31 of the year”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-171 effective Jan. 1, 2007, see section 5115(b) of Pub. L. 109-171, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-33 applicable to involuntary terminations of coverage under a group health plan occurring on or after Aug. 5, 1997, see section 4581(c) of Pub. L. 105-33, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-432 effective on first day of first month beginning after expiration of the 120-day period that begins on Oct. 31, 1994, see section 147(f)(1)(C) of Pub. L. 103-432, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-509, title IX, §9344(b)(2), Oct. 21, 1986, 100 Stat. 2042, provided that: “The amendments made by paragraph (1) [amending this section] shall apply to notices filed on or after July 1, 1987.”

Amendment by Pub. L. 99-272 effective May 1, 1986, see section 9201(d)(2) of Pub. L. 99-272, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

For effective date of amendment by Pub. L. 98-369, see section 2338(d)(2) of Pub. L. 98-369, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by section 2106(b)(2) of Pub. L. 97-35 effective Apr. 1, 1981, see section 2106(c) of Pub. L. 97-35, set out as a note under section 1395f of this title.

Amendment by section 2151(a)(3) of Pub. L. 97-35 not applicable to enrollments pursuant to written requests for enrollment filed before Oct. 1, 1981, see section 2151(b) of Pub. L. 97-35, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by section 945(c)(1) of Pub. L. 96-499 applicable to enrollments occurring on or after Apr. 1, 1981, see section 945(d) of Pub. L. 96-499, set out as a note under section 1395p of this title.

Amendment by section 947(b) of Pub. L. 96-499 applicable to notices filed after third calendar month beginning after Dec. 5, 1980, see section 947(d) of Pub. L. 96-499, set out as a note under section 1395v of this title.

EFFECTIVE DATE OF 1972 AMENDMENT

Pub. L. 92-603, title II, §257(b), Oct. 30, 1972, 86 Stat. 1447, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to nonpayment of premiums which become due and payable on or after the date of the enactment of this Act [Oct. 30, 1972] or which became payable within the 90-day period immediately preceding such date; and for purposes of such amendments any premium which became due and payable within such 90-day period shall be considered a premium becoming due and payable on the date of the enactment of this Act.”

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 90-248 effective Apr. 1, 1968, see section 145(e) of Pub. L. 90-248, set out as a note under section 1395p of this title.

COVERAGE PERIOD; TERMINATION DATES

Pub. L. 90-97, §3(a), Sept. 30, 1967, 81 Stat. 249, provided that: “In the case of any individual who, pursuant to section 1838(b)(1) of the Social Security Act [42 U.S.C. 1395q(b)(1)], terminates his enrollment in the insurance program established under part B of title XVIII of such Act [42 U.S.C. 1395j et seq.], his coverage period (as defined in section 1838(a) of such Act) [42 U.S.C. 1395q(a)]—

“(1) shall terminate at the close of December 31, 1967, if he filed his notice of termination before January 1, 1968, or

“(2) shall terminate at the close of March 31, 1968, if he filed his notice of termination after December 31, 1967, and before April 1, 1968.

An individual whose coverage period terminated pursuant to paragraph (1) at the close of December 31, 1967, may, notwithstanding section 1837(b)(2) of such Act [42 U.S.C. 1395p(b)(2)], enroll in such program before April 1, 1968, and for purposes of sections 1838(a)(2)(E) [42 U.S.C. 1395q(a)(2)(E)] and 1837(b)(2) of such Act [42 U.S.C. 1395p(b)(2)] such enrollment shall be deemed an enrollment under section 1837(e) of such Act [42 U.S.C. 1395p(e)] and a second enrollment under such part.”

EXTENSION OF 1967 GENERAL ENROLLMENT PERIOD THROUGH MARCH 31, 1968

Extension of the general enrollment period under section 1395p(e) of this title through March 31, 1968, see section 1 of Pub. L. 90-97, Sept. 30, 1967, 81 Stat. 249, set out as a note under section 1395p of this title.

COVERAGE PERIOD FOR INDIVIDUALS BECOMING ELIGIBLE IN MARCH 1966 WHO ENROLL IN MAY 1966

Pub. L. 89-384, §3(d), Apr. 8, 1966, 80 Stat. 105, provided that: “In the case of an individual who first satisfies paragraphs (1) and (2) of section 1836 of the Social Security Act [42 U.S.C. 1395o] in March, 1966, and who enrolls pursuant to subsection (d) of section 1837 of such Act [42 U.S.C. 1395p] in May 1966, his coverage period shall, notwithstanding section 1838(a)(2)(D) of such Act [42 U.S.C. 1395q(a)(2)(D)], begin on July 1, 1966.”

COMMENCEMENT OF COVERAGE PERIOD OF CERTAIN ENROLLEES

Commencement of coverage period upon enrollment before Oct. 1, 1966 of eligible individuals failing for good cause to enroll before June 1, 1966, see section 102(b) of Pub. L. 89-97, set out as a note under section 1395p of this title.

§ 1395r. Amount of premiums for individuals enrolled under this part

(a) Determination of monthly actuarial rates and premiums

(1) The Secretary shall, during September of 1983 and of each year thereafter, determine the

monthly actuarial rate for enrollees age 65 and over which shall be applicable for the succeeding calendar year. Subject to paragraphs (5), (6), and (7), such actuarial rate shall be the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to those enrollees age 65 and older will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees. In calculating the monthly actuarial rate, the Secretary shall include an appropriate amount for a contingency margin. In applying this paragraph there shall not be taken into account additional payments under section 1395w-4(o) of this title and section 1395w-23(l)(3) of this title and the Government contribution under section 1395w(a)(3) of this title.

(2) The monthly premium of each individual enrolled under this part for each month after December 1983 shall be the amount determined under paragraph (3), adjusted as required in accordance with subsections (b), (c), (f), and (i), and to reflect any credit provided under section 1395w-24(b)(1)(C)(ii)(III) of this title.

(3) The Secretary, during September of each year, shall determine and promulgate a monthly premium rate for the succeeding calendar year that (except as provided in subsection (g)) is equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year. Whenever the Secretary promulgates the dollar amount which shall be applicable as the monthly premium rate for any period, he shall, at the time such promulgation is announced, issue a public statement setting forth the actuarial assumptions and bases employed by him in arriving at the amount of an adequate actuarial rate for enrollees age 65 and older as provided in paragraph (1).

(4) The Secretary shall also, during September of 1983 and of each year thereafter, determine the monthly actuarial rate for disabled enrollees under age 65 which shall be applicable for the succeeding calendar year. Such actuarial rate shall be the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to disabled enrollees under age 65 will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees. In calculating the monthly actuarial rate under this paragraph, the Secretary shall include an appropriate amount for a contingency margin.

(5)(A) In applying this part (including subsection (i) and section 1395l(b) of this title), the monthly actuarial rate for enrollees age 65 and over for 2016 shall be determined as if subsection (f) did not apply.

(B) Subsection (f) shall continue to be applied to paragraph (6)(A) (during a repayment month, as described in paragraph (6)(B)) and without regard to the application of subparagraph (A).

(6)(A) With respect to a repayment month (as described in subparagraph (B)), the monthly premium otherwise established under paragraph (3) shall be increased by, subject to subparagraph (D), \$3.

(B) For purposes of this paragraph, a repayment month is a month during a year, beginning with 2016, for which a balance due amount is computed under subparagraph (C) as greater than zero.

(C) For purposes of this paragraph, the balance due amount computed under this subparagraph, with respect to a month, is the amount estimated by the Chief Actuary of the Centers for Medicare & Medicaid Services to be equal to—

(i) the amount transferred under subsections (d)(1) and (e)(1) of section 1395w of this title; plus

(ii) the amount that is equal to the aggregate reduction, for all individuals enrolled under this part, in the income related monthly adjustment amount as a result of the application of paragraphs (5) and (7); minus

(iii) the amounts payable under this part as a result of the application of this paragraph for preceding months.

(D) If the balance due amount computed under subparagraph (C), without regard to this subparagraph, for December of a year would be less than zero, the Chief Actuary of the Centers for Medicare & Medicaid Services shall estimate, and the Secretary shall apply, a reduction to the dollar amount increase applied under subparagraph (A) for each month during such year in a manner such that the balance due amount for January of the subsequent year is equal to zero.

(7)(A) In applying this part (including subsection (i) and section 1395l(b) of this title), the monthly actuarial rate for enrollees age 65 and over for 2021 shall be determined to be equal to the sum of—

(i) the monthly actuarial rate for enrollees age 65 and over for 2020; plus

(ii) 25 percent of the difference between such rate for 2020 and the preliminary monthly actuarial rate for enrollees age 65 and over for 2021 (as estimated under subparagraph (B)).

(B) For purposes of subparagraph (A)(ii), the Secretary shall estimate a preliminary monthly actuarial rate for enrollees age 65 and over for 2021 using the methodology described in paragraph (1) and as if subparagraph (A) of this paragraph did not apply. The Secretary shall make the estimate under the previous sentence as if the transfers described in section 1395w(f)(1) of this title have been made.

(b) Increase in monthly premium

In the case of an individual whose coverage period began pursuant to an enrollment after his initial enrollment period (determined pursuant to subsection (c) or (d) of section 1395p of this title) and not pursuant to a special enrollment period under subsection (i)(4), (l), or (m) of section 1395p of this title, the monthly premium determined under subsection (a) (without regard to any adjustment under subsection (i)) shall be increased by 10 percent of the monthly premium so determined for each full 12 months (in the same continuous period of eligibility) in which

he could have been but was not enrolled. For purposes of the preceding sentence, there shall be taken into account (1) the months which elapsed between the close of his initial enrollment period and the close of the enrollment period in which he enrolled, plus (in the case of an individual who reenrolls) (2) the months which elapsed between the date of termination of a previous coverage period and the close of the enrollment period in which he reenrolled, but there shall not be taken into account months for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1395y(b)(1)(A)(v) of this title by reason of the individual's (or the individual's spouse's) current employment status or months during which the individual has not attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a large group health plan (as that term is defined in section 1395y(b)(1)(B)(iii) of this title) by reason of the individual's current employment status (or the current employment status of a family member of the individual) or months for which the individual can demonstrate that the individual was an individual described in section 1395p(k)(3) of this title. Any increase in an individual's monthly premium under the first sentence of this subsection with respect to a particular continuous period of eligibility shall not be applicable with respect to any other continuous period of eligibility which such individual may have. No increase in the premium shall be effected for a month in the case of an individual who enrolls under this part during 2001, 2002, 2003, or 2004 and who demonstrates to the Secretary before December 31, 2004, that the individual is a covered beneficiary (as defined in section 1072(5) of title 10). The Secretary of Health and Human Services shall consult with the Secretary of Defense in identifying individuals described in the previous sentence. For purposes of determining any increase under this subsection for individuals whose enrollment occurs on or after January 1, 2023, the second sentence of this subsection shall be applied by substituting "close of the month" for "close of the enrollment period" each place it appears. No increase in the premium shall be effected for individuals who are enrolled pursuant to section 1395o(b) of this title for coverage only of immunosuppressive drugs.

(c) Premiums rounded to nearest multiple of ten cents

If any monthly premium determined under the foregoing provisions of this section is not a multiple of 10 cents, such premium shall be rounded to the nearest multiple of 10 cents.

(d) "Continuous period of eligibility" defined

For purposes of subsection (b) (and section 1395p(g)(1) of this title), an individual's "continuous period of eligibility" is the period beginning with the first day on which he is eligible to enroll under section 1395o(a) of this title and ending with his death; except that any period during all of which an individual satisfied paragraph (1) of section 1395o(a) of this title and which terminated in or before the month preceding the month in which he attained age 65 shall be a separate "continuous period of eligi-

bility" with respect to such individual (and each such period which terminates shall be deemed not to have existed for purposes of subsequently applying this section).

(e) State payment of part B late enrollment premium increases

(1) Upon the request of a State (or any appropriate State or local governmental entity specified by the Secretary), the Secretary may enter into an agreement with the State (or such entity) under which the State (or such entity) agrees to pay on a quarterly or other periodic basis to the Secretary (to be deposited in the Treasury to the credit of the Federal Supplementary Medical Insurance Trust Fund) an amount equal to the amount of the part B late enrollment premium increases with respect to the premiums for eligible individuals (as defined in paragraph (3)(A)(i)). The Secretary shall enter into an agreement with the United States Postal Service under which the United States Postal Service agrees to pay on a quarterly or other periodic basis to the Secretary (to be deposited in the Treasury to the credit of the Federal Supplementary Medical Insurance Trust Fund) an amount equal to the amount of the part B late enrollment premium increases with respect to the premiums for eligible individuals (as defined in paragraph (3)(A)(ii)).¹

(2) No part B late enrollment premium increase shall apply to an eligible individual for premiums for months for which the amount of such an increase is payable under an agreement under paragraph (1).

(3) In this subsection:

(A) The term "eligible individual" means an individual who is enrolled under this part B¹ and who—

(i) in the case of an agreement entered into under the first sentence of paragraph (1), is within a class of individuals specified in such agreement; and

(ii) in the case of an agreement entered into under the second sentence of paragraph (1), is so enrolled under this part pursuant to the special enrollment period under section 1395p(o) of this title²

(B) The term "part B late enrollment premium increase" means any increase in a premium as a result of the application of subsection (b).

(f) Limitation on increase in monthly premium

For any calendar year after 1988, if an individual is entitled to monthly benefits under section 402 or 423 of this title or to a monthly annuity under section 3(a), 4(a), or 4(f) of the Railroad Retirement Act of 1974 [45 U.S.C. 231b(a), 231c(a), (f)] for November and December of the preceding year, if the monthly premium of the individual under this section for December and for January is deducted from those benefits under section 1395s(a)(1) of this title or section 1395s(b)(1) of this title, and if the amount of the individual's premium is not adjusted for such January under subsection (i), the monthly premium otherwise determined under this section

¹ So in original.

² So in original. Probably should be followed by a period.

for an individual for that year shall not be increased, pursuant to this subsection, to the extent that such increase would reduce the amount of benefits payable to that individual for that December below the amount of benefits payable to that individual for that November (after the deduction of the premium under this section). For purposes of this subsection, retroactive adjustments or payments and deductions on account of work shall not be taken into account in determining the monthly benefits to which an individual is entitled under section 402 or 423 of this title or under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.]. Any increase in the premium for an individual who was enrolled under section 1395o(b) of this title attributable to such individual otherwise enrolling under this part shall not be taken into account in applying this subsection.

(g) Exclusions from estimate of benefits and administrative costs

In estimating the benefits and administrative costs which will be payable from the Federal Supplementary Medical Insurance Trust Fund for a year for purposes of determining the monthly premium rate under subsection (a)(3), the Secretary shall exclude an estimate of any benefits and administrative costs attributable to—

(1) the application of section 1395x(v)(1)(L)(viii) of this title or to the establishment under section 1395x(v)(1)(L)(i)(V) of this title of a per visit limit at 106 percent of the median (instead of 105 percent of the median), but only to the extent payment for home health services under this subchapter is not being made under section 1395fff of this title (relating to prospective payment for home health services); and

(2) the medicare prescription drug discount card and transitional assistance program under section 1395w-141 of this title.

(h) Potential application of comparative cost adjustment in CCA areas

(1) In general

Certain individuals who are residing in a CCA area under section 1395w-29³ of this title who are not enrolled in an MA plan under part C may be subject to a premium adjustment under subsection (f) of such section for months in which the CCA program under such section is in effect in such area.

(2) No effect on late enrollment penalty or income-related adjustment in subsidies

Nothing in this subsection or section 1395w-29(f)³ of this title shall be construed as affecting the amount of any premium adjustment under subsection (b) or (i). Subsection (f) shall be applied without regard to any premium adjustment referred to in paragraph (1).

(3) Implementation

In order to carry out a premium adjustment under this subsection and section 1395w-29(f)³ of this title (insofar as it is effected through the manner of collection of premiums under section 1395s(a) of this title), the Secretary

shall transmit to the Commissioner of Social Security—

(A) at the beginning of each year, the name, social security account number, and the amount of the premium adjustment (if any) for each individual enrolled under this part for each month during the year; and

(B) periodically throughout the year, information to update the information previously transmitted under this paragraph for the year.

(i) Reduction in premium subsidy based on income

(1) In general

In the case of an individual whose modified adjusted gross income exceeds the threshold amount under paragraph (2), the monthly amount of the premium subsidy applicable to the premium under this section for a month after December 2006 shall be reduced (and the monthly premium shall be increased) by the monthly adjustment amount specified in paragraph (3).

(2) Threshold amount

For purposes of this subsection, subject to paragraph (6), the threshold amount is—

(A) except as provided in subparagraph (B), \$80,000 (or, beginning with 2018, \$85,000), and

(B) in the case of a joint return, twice the amount applicable under subparagraph (A) for the calendar year.

(3) Monthly adjustment amount

(A) In general

Subject to subparagraph (B), the monthly adjustment amount specified in this paragraph for an individual for a month in a year is equal to the product of the following:

(i) Sliding scale percentage

Subject to paragraph (6), the applicable percentage specified in the applicable table in subparagraph (C) for the individual minus 25 percentage points.

(ii) Unsubsidized part B premium amount

(I) 20 percent of the monthly actuarial rate for enrollees age 65 and over (as determined under subsection (a)(1) for the year); plus

(II) 4 times the amount of the increase in the monthly premium under subsection (a)(6) for a month in the year (or, with respect to an individual enrolled under section 1395o(b) of this title and not otherwise enrolled under this part, 0 times the amount of such increase).

(B) 3-year phase in

The monthly adjustment amount specified in this paragraph for an individual for a month in a year before 2009 is equal to the following percentage of the monthly adjustment amount specified in subparagraph (A):

- (i) For 2007, 33 percent.
- (ii) For 2008, 67 percent.

(C) Applicable percentage

(i) In general

(I) Subject to paragraphs (5) and (6), for years before 2018:

³ See References in Text note below.

If the modified adjusted gross income is:	The applicable percentage is:
More than \$80,000 but not more than \$100,000	35 percent
More than \$100,000 but not more than \$150,000	50 percent
More than \$150,000 but not more than \$200,000	65 percent
More than \$200,000	80 percent.

(II) Subject to paragraph (5), for 2018:

If the modified adjusted gross income is:	The applicable percentage is:
More than \$85,000 but not more than \$107,000	35 percent
More than \$107,000 but not more than \$133,500	50 percent
More than \$133,500 but not more than \$160,000	65 percent
More than \$160,000	80 percent.

(III) Subject to paragraph (5), for years beginning with 2019:

If the modified adjusted gross income is:	The applicable percentage is:
More than \$85,000 but not more than \$107,000	35 percent
More than \$107,000 but not more than \$133,500	50 percent
More than \$133,500 but not more than \$160,000	65 percent
More than \$160,000 but less than \$500,000	80 percent
At least \$500,000	85 percent.

(ii) Joint returns

In the case of a joint return, clause (i) shall be applied by substituting dollar amounts which are twice the dollar amounts otherwise applicable under clause (i) for the calendar year except, with respect to the dollar amounts applied in the last row of the table under subclause (III) of such clause (and the second dollar amount specified in the second to last row of such table), clause (i) shall be applied by substituting dollar amounts which are 150 percent of such dollar amounts for the calendar year.

(iii) Married individuals filing separate returns

In the case of an individual who—

(I) is married as of the close of the taxable year (within the meaning of section 7703 of the Internal Revenue Code of 1986) but does not file a joint return for such year, and

(II) does not live apart from such individual's spouse at all times during the taxable year,

clause (i) shall be applied by reducing each of the dollar amounts otherwise applicable under such clause for the calendar year by the threshold amount for such year applicable to an unmarried individual.

(4) Modified adjusted gross income

(A) In general

For purposes of this subsection, the term “modified adjusted gross income” means ad-

justed gross income (as defined in section 62 of the Internal Revenue Code of 1986)—

(i) determined without regard to sections 135, 911, 931, and 933 of such Code; and

(ii) increased by the amount of interest received or accrued during the taxable year which is exempt from tax under such Code.

In the case of an individual filing a joint return, any reference in this subsection to the modified adjusted gross income of such individual shall be to such return's modified adjusted gross income.

(B) Taxable year to be used in determining modified adjusted gross income

(i) In general

In applying this subsection for an individual's premiums in a month in a year, subject to clause (ii) and subparagraph (C), the individual's modified adjusted gross income shall be such income determined for the individual's last taxable year beginning in the second calendar year preceding the year involved.

(ii) Temporary use of other data

If, as of October 15 before a calendar year, the Secretary of the Treasury does not have adequate data for an individual in appropriate electronic form for the taxable year referred to in clause (i), the individual's modified adjusted gross income shall be determined using the data in such form from the previous taxable year. Except as provided in regulations prescribed by the Commissioner of Social Security in consultation with the Secretary, the preceding sentence shall cease to apply when adequate data in appropriate electronic form are available for the individual for the taxable year referred to in clause (i), and proper adjustments shall be made to the extent that the premium adjustments determined under the preceding sentence were inconsistent with those determined using such taxable year.

(iii) Non-filers

In the case of individuals with respect to whom the Secretary of the Treasury does not have adequate data in appropriate electronic form for either taxable year referred to in clause (i) or clause (ii), the Commissioner of Social Security, in consultation with the Secretary, shall prescribe regulations which provide for the treatment of the premium adjustment with respect to such individual under this subsection, including regulations which provide for—

(I) the application of the highest applicable percentage under paragraph (3)(C) to such individual if the Commissioner has information which indicates that such individual's modified adjusted gross income might exceed the threshold amount for the taxable year referred to in clause (i), and

(II) proper adjustments in the case of the application of an applicable percent-

age under subclause (I) to such individual which is inconsistent with such individual's modified adjusted gross income for such taxable year.

(C) Use of more recent taxable year

(i) In general

The Commissioner of Social Security in consultation with the Secretary of the Treasury shall establish a procedures under which an individual's modified adjusted gross income shall, at the request of such individual, be determined under this subsection—

(I) for a more recent taxable year than the taxable year otherwise used under subparagraph (B), or

(II) by such methodology as the Commissioner, in consultation with such Secretary, determines to be appropriate, which may include a methodology for aggregating or disaggregating information from tax returns in the case of marriage or divorce.

(ii) Standard for granting requests

A request under clause (i)(I) to use a more recent taxable year may be granted only if—

(I) the individual furnishes to such Commissioner with respect to such year such documentation, such as a copy of a filed Federal income tax return or an equivalent document, as the Commissioner specifies for purposes of determining the premium adjustment (if any) under this subsection; and

(II) the individual's modified adjusted gross income for such year is significantly less than such income for the taxable year determined under subparagraph (B) by reason of the death of such individual's spouse, the marriage or divorce of such individual, or other major life changing events specified in regulations prescribed by the Commissioner in consultation with the Secretary.

(5) Inflation adjustment

(A) In general

Subject to subparagraph (C), in the case of any calendar year beginning after 2007 (other than 2018 and 2019), each dollar amount in paragraph (2) or (3) shall be increased by an amount equal to—

(i) such dollar amount, multiplied by

(ii) the percentage (if any) by which the average of the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with August of the preceding calendar year exceeds such average for the 12-month period ending with August 2006 (or, in the case of a calendar year beginning with 2020, August 2018).

(B) Rounding

If any dollar amount after being increased under subparagraph (A) or (C) is not a multiple of \$1,000, such dollar amount shall be rounded to the nearest multiple of \$1,000.

(C) Treatment of adjustments for certain higher income individuals

(i) In general

Subparagraph (A) shall not apply with respect to each dollar amount in paragraph (3) of \$500,000.

(ii) Adjustment beginning 2028

In the case of any calendar year beginning after 2027, each dollar amount in paragraph (3) of \$500,000 shall be increased by an amount equal to—

(I) such dollar amount, multiplied by

(II) the percentage (if any) by which the average of the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with August of the preceding calendar year exceeds such average for the 12-month period ending with August 2026.

(6) Temporary adjustment to income thresholds

Notwithstanding any other provision of this subsection, during the period beginning on January 1, 2011, and ending on December 31, 2017—

(A) the threshold amount otherwise applicable under paragraph (2) shall be equal to such amount for 2010; and

(B) the dollar amounts otherwise applicable under paragraph (3)(C)(i) shall be equal to such dollar amounts for 2010.

(7) Joint return defined

For purposes of this subsection, the term "joint return" has the meaning given to such term by section 7701(a)(38) of the Internal Revenue Code of 1986.

(j) Determination of premium for individuals only eligible for coverage of immunosuppressive drugs

The Secretary shall, during September of each year (beginning with 2022), determine and promulgate a monthly premium rate for the succeeding calendar year for individuals enrolled only for the purpose of coverage of immunosuppressive drugs under section 1395o(b) of this title. Such premium shall be equal to 15 percent of the monthly actuarial rate for enrollees age 65 and over (as would be determined in accordance with subsection (a)(1) if the reference to "one-half" in such subsection were a reference to "100 percent") for that succeeding calendar year. The monthly premium of each individual enrolled for coverage of immunosuppressive drugs under section 1395o(b) of this title for each month shall be the amount promulgated in this subsection. In the case of such individual not otherwise enrolled under this part, such premium shall be in lieu of any other monthly premium applicable under this section. Such amount shall be adjusted in accordance with subsections (c), (f), and (i), but shall not be adjusted under subsection (b).

(Aug. 14, 1935, ch. 531, title XVIII, § 1839, as added Pub. L. 89-97, title I, § 102(a), July 30, 1965, 79 Stat. 305; amended Pub. L. 90-248, title I, § 145(d), Jan. 2, 1968, 81 Stat. 859; Pub. L. 92-603, title II, §§ 201(c)(4), (5), 203 (a)–(d), Oct. 30, 1972, 86 Stat.

1373, 1376, 1377; Pub. L. 94-182, title I, §104(a), Dec. 31, 1975, 89 Stat. 1052; Pub. L. 95-216, title II, §205(e), Dec. 20, 1977, 91 Stat. 1529; Pub. L. 96-499, title IX, §945(c)(2), Dec. 5, 1980, 94 Stat. 2642; Pub. L. 97-35, title XXI, §2151(a)(4), Aug. 13, 1981, 95 Stat. 802; Pub. L. 97-248, title I, §124(a), (b), Sept. 3, 1982, 96 Stat. 364; Pub. L. 97-448, title III, §309(b)(8), Jan. 12, 1983, 96 Stat. 2409; Pub. L. 98-21, title VI, §606(a)(1)-(3)(C), Apr. 20, 1983, 97 Stat. 169, 170; Pub. L. 98-369, div. B, title III, §§2302(a), (b), 2338(a), July 18, 1984, 98 Stat. 1063, 1091; Pub. L. 98-617, §3(b)(4), Nov. 8, 1984, 98 Stat. 3295; Pub. L. 99-272, title IX, §§9219(a)(1), 9313, Apr. 7, 1986, 100 Stat. 182, 194; Pub. L. 99-509, title IX, §§9001(c), 9319(c)(4), Oct. 21, 1986, 100 Stat. 1970, 2012; Pub. L. 100-203, title IV, §4080, Dec. 22, 1987, 101 Stat. 1330-126; Pub. L. 100-360, title II, §211(a)-(c)(1), July 1, 1988, 102 Stat. 733, 738; Pub. L. 100-485, title VI, §608(d)(9), Oct. 13, 1988, 102 Stat. 2415; Pub. L. 101-234, title II, §202(a), Dec. 13, 1989, 103 Stat. 1981; Pub. L. 101-239, title VI, §§6202(b)(4)(C), (c)(2), 6301, Dec. 19, 1989, 103 Stat. 2233, 2234, 2258; Pub. L. 101-508, title IV, §4301, Nov. 5, 1990, 104 Stat. 1388-125; Pub. L. 103-66, title XIII, §13571, Aug. 10, 1993, 107 Stat. 609; Pub. L. 103-432, title I, §§144, 151(c)(3), Oct. 31, 1994, 108 Stat. 4427, 4435; Pub. L. 105-33, title IV, §§4571(a), (b)(1), 4581(a), 4582, 4631(a)(2), Aug. 5, 1997, 111 Stat. 464, 465, 486; Pub. L. 105-277, div. J, title V, §5101(e), Oct. 21, 1998, 112 Stat. 2681-915; Pub. L. 106-554, §1(a)(6) [title VI, §606(a)(2)(B)(i)], Dec. 21, 2000, 114 Stat. 2763, 2763A-557; Pub. L. 108-173, title I, §105(a), title II, §§222(l)(2)(A), 241(b)(2)(A), title VI, §625(a)(1), title VII, §736(b)(7), title VIII, §811(a), (b)(1), Dec. 8, 2003, 117 Stat. 2166, 2206, 2220, 2317, 2356, 2364, 2367; Pub. L. 109-171, title V, §§5111, 5115(a)(1), Feb. 8, 2006, 120 Stat. 43, 45; Pub. L. 111-5, div. B, title IV, §4103(a)(1), Feb. 17, 2009, 123 Stat. 487; Pub. L. 111-148, title III, §§3110(b), 3402, Mar. 23, 2010, 124 Stat. 420, 488; Pub. L. 114-10, title IV, §402, Apr. 16, 2015, 129 Stat. 160; Pub. L. 114-74, title VI, §601(a), (c), Nov. 2, 2015, 129 Stat. 594, 595; Pub. L. 115-123, div. E, title XII, §53114, Feb. 9, 2018, 132 Stat. 305; Pub. L. 116-159, div. C, title IV, §2401(a), (d), Oct. 1, 2020, 134 Stat. 732, 733; Pub. L. 116-260, div. CC, title I, §120(a)(2)(C)(ii), (3), title IV, §402(a)(2)(B)(i), (d), Dec. 27, 2020, 134 Stat. 2954, 2999, 3000; Pub. L. 117-108, title I, §101(b)(3), Apr. 6, 2022, 136 Stat. 1136.)

Editorial Notes

REFERENCES IN TEXT

The Railroad Retirement Act of 1974, referred to in subsec. (f), is act Aug. 29, 1935, ch. 812, as amended generally by Pub. L. 93-445, title I, §101, Oct. 16, 1974, 88 Stat. 1305, which is classified generally to subchapter IV (§231 et seq.) of chapter 9 of Title 45, Railroads. For further details and complete classification of this Act to the Code, see Codification note set out preceding section 231 of Title 45, section 231t of Title 45, and Tables.

Section 1395w-29 of this title, referred to in subsec. (h), was repealed by Pub. L. 111-152, title I, §1102(f), Mar. 30, 2010, 124 Stat. 1046.

The Internal Revenue Code of 1986, referred to in subsec. (i)(3)(C)(iii)(I), (4)(A), (7), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

2022—Subsec. (e)(1). Pub. L. 117-108, §101(b)(3)(A), substituted “(as defined in paragraph (3)(A)(i)). The Sec-

retary shall enter into an agreement with the United States Postal Service under which the United States Postal Service agrees to pay on a quarterly or other periodic basis to the Secretary (to be deposited in the Treasury to the credit of the Federal Supplementary Medical Insurance Trust Fund) an amount equal to the amount of the part B late enrollment premium increases with respect to the premiums for eligible individuals (as defined in paragraph (3)(A)(ii)).” for “(as defined in paragraph (3)(A))”.

Subsec. (e)(3)(A). Pub. L. 117-108, §101(b)(3)(B), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “The term ‘eligible individual’ means an individual who is enrolled under this part B and who is within a class of individuals specified in the agreement under paragraph (1).”

2020—Subsec. (a)(1). Pub. L. 116-159, §2401(a)(1), substituted “(5), (6), and (7)” for “(5) and (6)”.

Subsec. (a)(6)(C)(i). Pub. L. 116-159, §2401(a)(2)(A), substituted “subsections (d)(1) and (e)(1) of section 1395w of this title” for “section 1395w(d)(1) of this title”.

Subsec. (a)(6)(C)(ii). Pub. L. 116-159, §2401(a)(2)(B), substituted “paragraphs (5) and (7)” for “paragraph (5)”.

Subsec. (a)(7). Pub. L. 116-159, §2401(a)(3), added par. (7).

Subsec. (b). Pub. L. 116-260, §402(d)(1)(A), inserted at end “No increase in the premium shall be effected for individuals who are enrolled pursuant to section 1395o(b) of this title for coverage only of immunosuppressive drugs.”

Pub. L. 116-260, §120(a)(2)(C)(ii), (3), substituted “(i)(4), (l), or (m)” for “(i)(4) or (l)” and inserted at end “For purposes of determining any increase under this subsection for individuals whose enrollment occurs on or after January 1, 2023, the second sentence of this subsection shall be applied by substituting ‘close of the month’ for ‘close of the enrollment period’ each place it appears.”

Subsec. (d). Pub. L. 116-260, §402(a)(2)(B)(i), substituted “section 1395o(a) of this title” for “section 1395o of this title” in two places.

Subsec. (f). Pub. L. 116-260, §402(d)(2), inserted at end “Any increase in the premium for an individual who was enrolled under section 1395o(b) of this title attributable to such individual otherwise enrolling under this part shall not be taken into account in applying this subsection.”

Subsec. (i)(3)(A)(ii)(I). Pub. L. 116-159, §2401(d), realigned margins.

Subsec. (i)(3)(A)(ii)(II). Pub. L. 116-260, §402(d)(3), inserted “(or, with respect to an individual enrolled under section 1395o(b) of this title and not otherwise enrolled under this part, 0 times the amount of such increase)” after “in the year”.

Subsec. (j). Pub. L. 116-260, §402(d)(1)(B), added subsec. (j).

2018—Subsec. (i)(3)(C)(i)(II). Pub. L. 115-123, §53114(a)(1), struck out “years beginning with” after “Subject to paragraph (5), for”.

Subsec. (i)(3)(C)(i)(III). Pub. L. 115-123, §53114(a)(2), added subcl. (III).

Subsec. (i)(3)(C)(ii). Pub. L. 115-123, §53114(b), inserted before period at end “except, with respect to the dollar amounts applied in the last row of the table under subclause (III) of such clause (and the second dollar amount specified in the second to last row of such table), clause (i) shall be applied by substituting dollar amounts which are 150 percent of such dollar amounts for the calendar year”.

Subsec. (i)(5)(A). Pub. L. 115-123, §53114(c)(1), substituted “Subject to subparagraph (C), in the case” for “In the case” in introductory provisions.

Subsec. (i)(5)(B). Pub. L. 115-123, §53114(c)(2), substituted “subparagraph (A) or (C)” for “subparagraph (A)”.

Subsec. (i)(5)(C). Pub. L. 115-123, §53114(c)(3), added subpar. (C).

2015—Subsec. (a)(1). Pub. L. 114-74, §601(a)(1), substituted “Subject to paragraphs (5) and (6), such actuarial” for “Such actuarial” in second sentence.

Subsec. (a)(5), (6). Pub. L. 114-74, § 601(a)(2), added pars. (5) and (6).

Subsec. (i)(2)(A). Pub. L. 114-10, § 402(b)(1), inserted “(or, beginning with 2018, \$85,000)” after “\$80,000”.

Subsec. (i)(3)(A)(i). Pub. L. 114-10, § 402(b)(2), inserted “applicable” before “table”.

Subsec. (i)(3)(A)(ii). Pub. L. 114-74, § 601(c), designated existing provisions as subcl. (I), substituted “year; plus” for “year.”, and added subcl. (II).

Subsec. (i)(3)(C)(i). Pub. L. 114-10, § 402(a), designated existing provisions as subcl. (I) and inserted introductory provisions and added subcl. (II).

Subsec. (i)(5)(A). Pub. L. 114-10, § 402(b)(3)(A), inserted “(other than 2018 and 2019)” after “2007” in introductory provisions.

Subsec. (i)(5)(A)(ii). Pub. L. 114-10, § 402(b)(3)(B), inserted “(or, in the case of a calendar year beginning with 2020, August 2018)” after “August 2006”.

Subsec. (i)(6). Pub. L. 114-10, § 402(b)(4), substituted “2017” for “2019” in introductory provisions.

2010—Subsec. (b). Pub. L. 111-148, § 3110(b), substituted “subsection (i)(4) or (l) of section 1395p” for “section 1395p(i)(4)”.

Subsec. (i)(2). Pub. L. 111-148, § 3402(1), inserted “subject to paragraph (6),” after “subsection,” in introductory provisions.

Subsec. (i)(3)(A)(i). Pub. L. 111-148, § 3402(2), substituted “Subject to paragraph (6), the applicable” for “The applicable”.

Subsec. (i)(6), (7). Pub. L. 111-148, § 3402(3), (4), added par. (6) and redesignated former par. (6) as (7).

2009—Subsec. (a)(1). Pub. L. 111-5 inserted at end “In applying this paragraph there shall not be taken into account additional payments under section 1395w-4(o) of this title and section 1395w-23(l)(3) of this title and the Government contribution under section 1395w(a)(3) of this title.”

2006—Subsec. (b). Pub. L. 109-171, § 5115(a)(1), inserted “or months for which the individual can demonstrate that the individual was an individual described in section 1395p(k)(3) of this title” before period at end of second sentence.

Subsec. (i)(3)(B). Pub. L. 109-171, § 5111(1), (2), substituted “3-year” for “5-year” in heading and “2009” for “2011” in introductory provisions.

Subsec. (i)(3)(B)(i). Pub. L. 109-171, § 5111(3), substituted “33 percent” for “20 percent”.

Subsec. (i)(3)(B)(ii). Pub. L. 109-171, § 5111(4), substituted “67 percent” for “40 percent”.

Subsec. (i)(3)(B)(iii), (iv). Pub. L. 109-171, § 5111(5), struck out cls. (iii) and (iv), which read as follows:

“(iii) For 2009, 60 percent.

“(iv) for 2010, 80 percent.”

2003—Subsec. (a)(2). Pub. L. 108-173, § 811(b)(1)(A), substituted “(f, and i)” for “and (f)”.

Pub. L. 108-173, § 222(l)(2)(A), substituted “any credit provided under section 1395w-24(b)(1)(C)(ii)(III)” for “80 percent of any reduction elected under section 1395w-24(f)(1)(E)”.

Subsec. (a)(4). Pub. L. 108-173, § 736(b)(7), substituted “will equal one-half of the total” for “which will equal one-half of the total”.

Subsec. (b). Pub. L. 108-173, § 811(b)(1)(B), inserted “(without regard to any adjustment under subsection (i))” after “subsection (a)”.

Pub. L. 108-173, § 625(a)(1), inserted at end “No increase in the premium shall be effected for a month in the case of an individual who enrolls under this part during 2001, 2002, 2003, or 2004 and who demonstrates to the Secretary before December 31, 2004, that the individual is a covered beneficiary (as defined in section 1072(5) of title 10). The Secretary of Health and Human Services shall consult with the Secretary of Defense in identifying individuals described in the previous sentence.”

Subsec. (f). Pub. L. 108-173, § 811(b)(1)(C), substituted “if the monthly premium” for “and if the monthly premium” and inserted “and if the amount of the individual’s premium is not adjusted for such January under subsection (i),” after “section 1395s(b)(1) of this title,”.

Subsec. (g). Pub. L. 108-173, § 105(a), substituted “attributable to—” for “attributable to”, inserted par. (1) designation before “the application of”, substituted “; and” for period at end, and added par. (2).

Subsec. (h). Pub. L. 108-173, § 241(b)(2)(A), added subsec. (h).

Subsec. (i). Pub. L. 108-173, § 811(a), added subsec. (i). 2000—Subsec. (a)(2). Pub. L. 106-554 substituted “shall be the amount determined under paragraph (3), adjusted as required in accordance with subsections (b), (c), and (f), and to reflect 80 percent of any reduction elected under section 1395w-24(f)(1)(E) of this title.” for “shall, except as provided in subsections (b), (c), and (f), be the amount determined under paragraph (3).”

1998—Subsec. (a)(3). Pub. L. 105-277, § 5101(e)(1), inserted “(except as provided in subsection (g))” after “year that”.

Subsec. (g). Pub. L. 105-277, § 5101(e)(2), added subsec. (g).

1997—Subsec. (a)(2). Pub. L. 105-33, § 4571(b)(1)(A), substituted “subsections (b), (c), and (f)” for “subsections (b) and (e)”.

Subsec. (a)(3). Pub. L. 105-33, § 4571(b)(1)(B), in last sentence, inserted “rate” after “monthly premium” and struck out “and the derivation of the dollar amounts specified in this paragraph” before period at end.

Pub. L. 105-33, § 4571(a), substituted “The Secretary, during September of each year, shall determine and promulgate a monthly premium rate for the succeeding calendar year that is equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year.” for “The Secretary shall, during September of 1983 and of each year thereafter, determine and promulgate the monthly premium applicable for individuals enrolled under this part for the succeeding calendar year. The monthly premium shall (except as otherwise provided in subsection (e) of this section) be equal to the smaller of—

“(A) the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1) of this subsection, for that calendar year, or

“(B) the monthly premium rate most recently promulgated by the Secretary under this paragraph, increased by a percentage determined as follows: The Secretary shall ascertain the primary insurance amount computed under section 415(a)(1) of this title, based upon average indexed monthly earnings of \$900, that applied to individuals who became eligible for and entitled to old-age insurance benefits on November 1 of the year before the year of the promulgation. He shall increase the monthly premium rate by the same percentage by which that primary insurance amount is increased when, by reason of the law in effect at the time the promulgation is made, it is so computed to apply to those individuals for the following November 1.”

Subsec. (b). Pub. L. 105-33, § 4631(a)(2), substituted “1395y(b)(1)(B)(iii) of this title” for “1395y(b)(1)(B)(iv) of this title” in second sentence.

Pub. L. 105-33, § 4571(b)(1)(C), struck out “or (e)” after “determined under subsection (a)” in first sentence.

Pub. L. 105-33, § 4581(a), inserted “and not pursuant to a special enrollment period under section 1395p(i)(4) of this title” after “section 1395p of this title” in first sentence.

Subsec. (e). Pub. L. 105-33, § 4571(b)(1)(D), (E), redesignated subsec. (g) as (e) and struck out former subsec. (e) which read as follows:

“(1)(A) Notwithstanding the provisions of subsection (a) of this section, the monthly premium for each individual enrolled under this part for each month after after December 1995 and prior to January 1999 shall be an amount equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, as determined under subsection (a)(1) of this section and applicable to such month.

“(B) Notwithstanding the provisions of subsection (a) of this section, the monthly premium for each individual enrolled under this part for each month in—

- “(i) 1991 shall be \$29.90,
- “(ii) 1992 shall be \$31.80,
- “(iii) 1993 shall be \$36.60,
- “(iv) 1994 shall be \$41.10, and
- “(v) 1995 shall be \$46.10.

“(2) Any increases in premium amounts taking effect prior to January 1998 by reason of paragraph (1) shall be taken into account for purposes of determining increases thereafter under subsection (a)(3) of this section.”

Subsec. (e)(1). Pub. L. 105-33, § 4582, inserted “(or any appropriate State or local governmental entity specified by the Secretary)” after “request of a State” and inserted “(or such entity)” after “agreement with the State” and after “which the State”.

Subsec. (g). Pub. L. 105-33, § 4571(b)(1)(E), redesignated subsec. (g) as (e).

1994—Subsec. (b). Pub. L. 103-432, § 151(c)(3), in second sentence, inserted “status” after “current employment” and substituted “(as that term is defined in section 1395y(b)(1)(B)(iv) of this title) by reason of the individual’s current employment status (or the current employment status of a family member of the individual)” for “as an active individual (as those terms are defined in section 1395y(b)(1)(B)(iv) of this title)”.

Subsec. (g). Pub. L. 103-432, § 144, added subsec. (g).

1993—Subsec. (e)(1)(A). Pub. L. 103-66, § 13571(1), substituted “after December 1995 and prior to January 1999 shall be an amount equal to 50 percent” for “December 1983 and prior to January 1991 shall be an amount equal to 50 percent”.

Subsec. (e)(2). Pub. L. 103-66, § 13571(2), substituted “1998” for “1991”.

1990—Subsec. (e)(1). Pub. L. 101-508 designated existing provisions as subpar. (A) and added subpar. (B).

1989—Subsec. (a). Pub. L. 101-234 repealed Pub. L. 100-360, § 211(c)(1)(A)–(D), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment notes below.

Subsec. (b). Pub. L. 101-239, § 6202(c)(2), struck out “during which the individual has attained the age of 65 and” after “into account months” in second sentence.

Pub. L. 101-239, § 6202(b)(4)(C), substituted “section 1395y(b)(1)(A)(v)” and “section 1395y(b)(1)(B)(iv)” for “section 1395y(b)(3)(A)(iv)” and “section 1395y(b)(4)(B)”, respectively.

Pub. L. 101-234 repealed Pub. L. 100-360, § 211(c)(1)(E), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (e). Pub. L. 101-239, § 6301, substituted “1991” for “1990” wherever appearing.

Subsec. (e)(1). Pub. L. 101-234 repealed Pub. L. 100-360, § 211(c)(1)(F), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (g). Pub. L. 101-234 repealed Pub. L. 100-360, § 211(a), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

1988—Subsec. (a)(1). Pub. L. 100-360, § 211(c)(1)(A), (B), inserted “(other than costs relating to the amendments made by the Medicare Catastrophic Coverage Act of 1988)” before period at end of second sentence, and “, but shall not take into account any amounts in the Trust Fund that may be attributable to receipts or outlays relating to the Medicare Catastrophic Coverage Account” before period at end of last sentence.

Subsec. (a)(2). Pub. L. 100-360, § 211(c)(1)(C), substituted “, (e), and (g)” for “and (e)”.

Subsec. (a)(3). Pub. L. 100-360, § 211(c)(1)(D), substituted “subsections (e) and (g)” for “subsection (e)” in introductory provisions.

Subsec. (a)(4). Pub. L. 100-360, § 211(c)(1)(A), (B), inserted “(other than costs relating to the amendments made by the Medicare Catastrophic Coverage Act of

1988)” before period at end of second sentence, and “, but shall not take into account any amounts in the Trust Fund that may be attributable to receipts or outlays relating to the Medicare Catastrophic Coverage Account” before period at end of last sentence.

Subsec. (b). Pub. L. 100-360, § 211(c)(1)(E), substituted “otherwise determined under this section (without regard to subsections (f) and (g)(6))” for “determined under subsection (a) or (e)”.

Subsec. (e)(1). Pub. L. 100-360, § 211(c)(1)(F), inserted “except as provided in subsection (g) of this section,” after “subsection (a) of this section”.

Subsec. (f). Pub. L. 100-485, § 608(d)(8)(B), substituted “for that December below the amount of benefits payable to that individual for that November” for “for that January below the amount of benefits payable to that individual for that December”.

Pub. L. 100-360, § 211(b), amended subsec. (f) generally, substituting a single paragraph for former pars. (1) and (2).

Subsec. (g). Pub. L. 100-360, § 211(a), added subsec. (g) relating to adjustment in medicare part B premium.

Subsec. (g)(1)(B)(iii)(I). Pub. L. 100-485, § 608(d)(9)(A)(i), substituted “year, over” for “year, and”.

Subsec. (g)(1)(B)(iii)(II). Pub. L. 100-485, § 608(d)(9)(A)(ii), substituted “supplemental premium rate” for “supplemental rate”.

Subsec. (g)(7)(A)(ii). Pub. L. 100-485, § 608(d)(9)(A)(iii), substituted “of each such year” for “of such year”.

1987—Subsec. (e). Pub. L. 100-203, § 4080(1), substituted “1990” for “1989” wherever appearing.

Subsec. (f)(1). Pub. L. 100-203, § 4080(2), substituted “1987, or 1988” for “or 1987”.

Subsec. (f)(2). Pub. L. 100-203, § 4080(3), substituted “1988, or 1989” for “or 1988”.

1986—Subsec. (b). Pub. L. 99-509, § 9319(c)(4), inserted “or months during which the individual has not attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a large group health plan as an active individual (as those terms are defined in section 1395y(b)(4)(B) of this title)” at end of second sentence.

Pub. L. 99-272, § 9219(a)(1), substituted “months during which the individual has attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1395y(b)(3)(A)(iv) of this title” for “months in which the individual has met the conditions specified in clauses (i) and (iii) of section 1395y(b)(3)(A) of this title and can demonstrate that the individual was enrolled in a group health plan described in clause (iv) of such section”.

Subsec. (e). Pub. L. 99-272, § 9313(1), substituted “1989” for “1988” wherever appearing.

Subsec. (f)(1). Pub. L. 99-272, § 9313(2), substituted “, 1986, or 1987” for “or 1986”.

Subsec. (f)(2). Pub. L. 99-272, § 9313(3), substituted “, 1987, or 1988” for “or 1987”.

Subsec. (f)(2)(A). Pub. L. 99-509, § 9001(c), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the monthly premium amount determined under subsection (a)(2) of this section for that January reduced by the amount (if any) necessary to make the monthly benefits under section 402 or 423 of this title for that December after the deduction of the monthly premium (disregarding subsection (b) of this section) for that January at least equal to the monthly benefits under section 402 or 423 of this title for the preceding November after the deduction of the premium (disregarding subsection (b) of this section) for that individual for that December, or”.

1984—Subsec. (b). Pub. L. 98-369, § 2338(a), inserted provision that there shall not be taken into account months in which the individual has met conditions specified in clauses (i) and (iii) of section 1395y(b)(3)(A) of this title and can demonstrate that the individual was enrolled in a group health plan described in clause (iv) of such section by reason of the individual’s (or the individual’s spouse’s) current employment.

Subsec. (e). Pub. L. 98-369, §2302(a), substituted “1988” for “1986” in pars. (1) and (2).

Subsec. (f). Pub. L. 98-369, §2302(b), added subsec. (f).
Subsec. (f)(2)(A). Pub. L. 98-617, §3(b)(4), substituted “for that December after the deduction” for “for that January after the deduction” and “for that December” for “for that November”.

1983—Subsec. (a). Pub. L. 98-21, §606(a)(1), added subsec. (a) and struck out former subsec. (a) which provided that monthly premium of each individual enrolled under this part for each month before 1968 would be \$3.

Subsec. (b). Pub. L. 98-21, §606(a)(3)(A), substituted “subsection (a) or (e)” for “subsection (b), (c), or (g)”.

Pub. L. 98-21, §606(a)(1), (2), redesignated subsec. (d) as (b), and struck out former subsec. (b) which provided for determination by Secretary of monthly premium for each individual enrolled under this part for each month after 1967 and before July 1, 1973.

Subsec. (c). Pub. L. 98-21, §606(a)(1), (2), redesignated subsec. (e) as (c), and struck out former subsec. (c) which directed Secretary to determine during December of each year after 1972 the monthly actuarial rate for enrollees age 65 and over applicable to succeeding fiscal year (beginning July 1), provided for his determination of monthly premium for such period, and directed him to determine monthly actuarial rate for disabled enrollees under age 65.

Subsec. (d). Pub. L. 98-21, §606(a)(3)(B), which directed that “purposes of subsection (b)” be substituted for “purposes of subsection (c)” was executed by substituting “purposes of subsection (b)” for “purposes of subsection (d)”, as the probable intent of Congress in view of previous substitution of “subsection (d)” for “subsection (c)” by Pub. L. 92-603, §203(d)(2).

Pub. L. 98-21, §606(a)(2), redesignated subsec. (f) as (d). Former subsec. (d) redesignated (b).

Pub. L. 97-448 inserted reference to determination of monthly premium pursuant to subsec. (g) of this section.

Subsec. (e). Pub. L. 98-21, §606(a)(2), redesignated subsec. (g) as (e). Former subsec. (e) redesignated (c).

Subsec. (e)(1). Pub. L. 98-21, §606(a)(3)(C), substituted “(a)” for “(c)”, “(a)(1)” for “(c)(1)”, “December 1983” for “June 1983”, and “January 1986” for “July 1985”.

Subsec. (e)(2). Pub. L. 98-21, §606(a)(3)(C)(i), (iii), substituted “(a)(3)” for “(c)(3)” and “January 1986” for “July 1985”.

Subsecs. (f), (g). Pub. L. 98-21, §606(a)(2), redesignated subsecs. (f) and (g) as (d) and (e), respectively.

1982—Subsec. (c)(2). Pub. L. 97-248, §124(a)(1), substituted “except as provided in subsections (d) and (g)” for “except as provided in subsection (d)”.

Subsec. (c)(3). Pub. L. 97-248, §124(a)(2), inserted “(except as otherwise provided in subsection (g) of this section)”.

Subsec. (g). Pub. L. 97-248, §124(b), added subsec. (g).
1981—Subsec. (d). Pub. L. 97-35 substituted “the close of the enrollment period in which he reenrolled” for “the month after the month in which he reenrolled” in cl. (2).

1980—Subsec. (d). Pub. L. 96-499 substituted “who reenrolls (2) the months which elapsed between the date of termination of a previous coverage period and the month after the month in which he reenrolled” for “who enrolls for a second time (2) the months which elapsed between the date of the termination of his first coverage period and the close of the enrollment period in which he enrolled for the second time”.

1977—Subsec. (c)(3)(B). Pub. L. 95-216 substituted “the monthly premium rate most recently promulgated by the Secretary under this paragraph, increased by a percentage determined as follows: The Secretary shall ascertain the primary insurance amount computed under section 415(a)(1) of this title, based upon average indexed monthly earnings of \$900, that applied to individuals who became eligible for and entitled to old-age insurance benefits on May 1 of the year of the promulgation” for “the monthly premium rate most recently promulgated by the Secretary under this paragraph or,

in the case of the determination made in December 1971, such rate promulgated under subsection (b)(2) of this section multiplied by the ratio of (i) the amount in column IV of the table which, by reason of the law in effect at the time the promulgation is made, will be in effect as of May 1 next following such determination appears (or is deemed to appear) in section 415(a) of this title on the line which includes the figure ‘750’ in column III of such table to (ii) the amount in column IV of the table which appeared (or was deemed to appear) in section 415(a) of this title on the line which included the figure ‘750’ in column III as of May 1 of the year in which such determination is made” and inserted “He shall increase the monthly premium rate by the same percentage by which that primary insurance amount is increased when, by reason of the law in effect at the time the promulgation is made, it is so computed to apply to those individuals on the following May 1.”

1975—Subsec. (c)(3). Pub. L. 94-182 substituted “May 1” for “June 1” wherever appearing.

1972—Subsec. (b)(1). Pub. L. 92-603, §203(a), inserted “and before July 1, 1973” following “1967”.

Subsec. (b)(2). Pub. L. 92-603, §203(b), substituted “ending on or before December 31, 1971” for “thereafter”.

Subsec. (c). Pub. L. 92-603, §203(c), added subsec. (c). Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 92-603, §§201(c)(4), 203(c), (d)(1), redesignated former subsec. (c) as (d), inserted reference to subsec. (c) after reference to subsec. (b), inserted “(in the same continuous period of eligibility)” after “for each full 12 months”, and inserted provisions relating to any increase in an individual’s monthly premium under the first sentence of this subsection. Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 92-603, §203(c), redesignated former subsec. (d) as (e). Former subsec. (e) redesignated (f).

Pub. L. 92-603, §201(c)(5), added subsec. (e).

Subsec. (f). Pub. L. 92-603, §203(c), (d)(2), redesignated former subsec. (e) as (f) and substituted “subsection (d)” for “subsection (c)”.

1968—Subsec. (b)(2). Pub. L. 90-248 required Secretary, during December of each year, beginning in 1968, to determine and announce amount (whether or not such amount was applicable for premiums for any prior month) of supplementary medical insurance premium for 12-month period beginning on July 1 of each following year, which premium is to be such that aggregate premiums will equal one-half estimated benefit and administrative expenses of supplementary medical insurance program for such 12-month period, and that at time of announcement of premium amount, Secretary must make public actuarial assumptions and bases used in deciding amount of premium.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by section 5115(a)(1) of Pub. L. 109-171 applicable to months beginning with Jan. 2007, see section 5115(b) of Pub. L. 109-171, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by section 222(l)(2)(A) of Pub. L. 108-173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 223(a) of Pub. L. 108-173, set out as a note under section 1395w-21 of this title.

Pub. L. 108-173, title VI, §625(a)(2), Dec. 8, 2003, 117 Stat. 2318, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to premiums for months beginning with January 2004. The Secretary [of Health and Human Services] shall establish a method for providing rebates of premium penalties paid for months on or after January 2004 for which a penalty does not apply under such amendment but for which a penalty was previously collected.”

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-554, §1(a)(6) [title VI, §606(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A-558, provided that: “The amendments made by subsection (a) [amending this section and sections 1395s, 1395w, 1395w-21, 1395w-23, and 1395w-24 of this title] shall apply to years beginning with 2003.”

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by section 4581(a) of Pub. L. 105-33 applicable to involuntary terminations of coverage under a group health plan occurring on or after Aug. 5, 1997, see section 4581(c) of Pub. L. 105-33, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103-432, title I, §151(c)(3), Oct. 31, 1994, 108 Stat. 4435, provided that the amendment made by that section is effective as if included in the enactment of Pub. L. 103-66.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by section 6202(b)(4)(C) of Pub. L. 101-239 applicable to items and services furnished after Dec. 19, 1989, see section 6202(b)(5) of Pub. L. 101-239, set out as a note under section 162 of Title 26, Internal Revenue Code.

Amendment by section 6202(c)(2) of Pub. L. 101-239 applicable to enrollments occurring after, and premiums for months after, second calendar quarter beginning after Dec. 19, 1989, see section 6202(c)(3) of Pub. L. 101-239, set out as a note under section 1395p of this title.

Amendment by Pub. L. 101-234 effective Jan. 1, 1990, and applicable to premiums for months beginning after Dec. 31, 1989, see section 202(b) of Pub. L. 101-234, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100-360, see section 608(g)(1) of Pub. L. 100-485, set out as a note under section 704 of this title.

Pub. L. 100-360, title II, §211(d), July 1, 1988, 102 Stat. 739, which provided that the amendments made by section 211 of Pub. L. 100-360 [amending this section and sections 1395w and 1395mm of this title] applied (except as otherwise specified in such amendments) to monthly premiums for months beginning with January 1989, was repealed by Pub. L. 101-234, title II, §202(a), Dec. 13, 1989, 103 Stat. 1981.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 9001(c) of Pub. L. 99-509 applicable with respect to monthly premiums under this section for months after December 1986, see section 9001(d)(3) of Pub. L. 99-509, set out as a note under section 415 of this title.

Amendment by section 9319(c)(4) of Pub. L. 99-509 applicable to enrollments occurring on or after Jan. 1, 1987, see section 9319(f)(2) of Pub. L. 99-509 set out as a note under section 1395y of this title.

Pub. L. 99-272, title IX, §9219(a)(3)(A), Apr. 7, 1986, 100 Stat. 182, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to months beginning with January 1983 for premiums for months beginning with the first month that begins more than 30 days after the date of the enactment of this Act [Apr. 7, 1986].”

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98-369, see section 3(c) of Pub. L. 98-617, set out as a note under section 1395f of this title.

Pub. L. 98-369, div. B, title III, §2302(c), July 18, 1994, 98 Stat. 1064, provided that: “The amendments made by

this section [amending this section] shall apply to premiums for months beginning with January 1986.”

Pub. L. 98-369, div. B, title III, §2338(d)(1), July 18, 1994, 98 Stat. 1093, provided that: “The amendment made by subsection (a) [amending this section] shall apply to months beginning with January 1983 for premiums for months beginning with the first month which begins more than 30 days after the date of the enactment of this Act [July 18, 1984].”

EFFECTIVE DATE OF 1983 AMENDMENT; TRANSITIONAL RULE

Pub. L. 98-21, title VI, §606(c), Apr. 20, 1983, 97 Stat. 171, provided that: “The amendments made by this section [amending this section and sections 1395i-2, 1395v, 1395w, and 1395mm of this title] shall apply to premiums for months beginning with January 1984, and for months after June 1983 and before January 1984—

“(1) the monthly premiums under part A and under part B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395j et seq.] for individuals enrolled under each respective part shall be the monthly premium under that part for the month of June 1983, and

“(2) the amount of the Government contributions under section 1844(a)(1) of such Act [42 U.S.C. 1395w(a)(1)] shall be computed on the basis of the actuarially adequate rate which would have been in effect under part B of title XVIII of such Act for such months without regard to the amendments made by this section, but using the amount of the premium in effect for the month of June 1983.”

Amendment by Pub. L. 97-448 effective as if originally included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248, see section 309(c)(2) of Pub. L. 97-448, set out as a note under section 426-1 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 not applicable to enrollments pursuant to written requests for enrollment filed before Oct. 1, 1981, see section 2151(b) of Pub. L. 97-35, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-499 applicable to enrollments occurring on or after Apr. 1, 1981, see section 945(d) of Pub. L. 96-499, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-216 effective with respect to monthly benefits and lump-sum death payments for deaths occurring after December 1978, see section 206 of Pub. L. 95-216, set out as a note under section 402 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Pub. L. 94-182, title I, §104(b), Dec. 31, 1975, 89 Stat. 1052, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to determinations made under section 1839(c)(3) of the Social Security Act [42 U.S.C. 1395r(c)(3)] after the date of the enactment of this Act [Dec. 31, 1975].”

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 90-248 effective Dec. 1, 1968, see section 145(e) of Pub. L. 90-248, set out as a note under section 1395p of this title.

CONSTRUCTION REGARDING NO AUTHORITY TO INITIATE APPLICATION TO YEARS AFTER 2017

Pub. L. 114-74, title VI, §601(e), Nov. 2, 2015, 129 Stat. 596, provided that: “Nothing in subsection (d) [set out as a note below] or the amendments made by this section [amending this section and section 1395w of this title] shall be construed as authorizing the Secretary of

Health and Human Services to initiate application of such subsection or amendments for a year after 2017.”

CONDITIONAL APPLICATION TO 2017 IF NO SOCIAL SECURITY COLA FOR 2017

Pub. L. 114-74, title VI, §601(d), Nov. 2, 2015, 129 Stat. 596, provided that: “If there is no increase in the monthly insurance benefits payable under title II [probably means title II of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 401 et seq.] with respect to December 2016 pursuant to section 215(i) [probably means section 215(i) of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 415(i)], then the amendments made by this section [amending this section and section 1395w of this section] shall be applied as if—

“(1) the reference to ‘2016’ in paragraph (5)(A) of section 1839(a) of the Social Security Act (42 U.S.C. 1395r(a)), as added by subsection (a)(2), was a reference to ‘2016 and 2017’;

“(2) the reference to ‘a month during a year, beginning with 2016’ in paragraph (6)(B) of section 1839 of such Act (42 U.S.C. 1395r(a)), as added by subsection (a)(2), was a reference to ‘a month in a year, beginning with 2016 and beginning with 2017, respectively’; and

“(3) the reference to ‘2016’ in subsection (d)(1) of section 1844 of such Act (42 U.S.C. 1395w), as added by subsection (b)(2), was a reference to ‘each of 2016 and 2017’

Any increase in premiums effected under this subsection shall be in addition to the increase effected by the amendments made by subsection (a) [amending this section].”

NO CHANGE IN MEDICARE’S DEFINED BENEFIT PACKAGE

Pub. L. 108-173, title II, §241(c), Dec. 8, 2003, 117 Stat. 2221, provided that: “Nothing in this part [probably should be this section, enacting former section 1395w-29 of this title and amending this section and sections 1395w and 1395w-23 of this title] (or the amendments made by this part) shall be construed as changing the entitlement to defined benefits under parts A and B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395j et seq.].”

DETERMINATION OF PREMIUM AMOUNTS BY SECRETARY

Pub. L. 90-97, §2, Sept. 30, 1967, 81 Stat. 249, provided that: “Notwithstanding the provisions of section 1839(a) and (b) of the Social Security Act [42 U.S.C. 1395r(a), (b)]—

“(1) the dollar amount applicable for premiums under part B of title XVIII of such Act [42 U.S.C. 1395j et seq.] for each month before April 1968 shall be \$3, and

“(2) the Secretary of Health, Education, and Welfare may determine and promulgate such dollar amount for months after March 1968 and before January 1970 at any time on or before December 31, 1967.”

PERSONS ENROLLING BEFORE APRIL 1, 1968, WHO DID NOT ENROLL DURING THEIR INITIAL ENROLLMENT PERIOD

Pub. L. 90-97, §3(b), Sept. 30, 1967, 81 Stat. 250, provided that: “In the case of any individual who did not enroll in the insurance program established under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] in his initial enrollment period, but does so enroll before April 1, 1968, the enrollment period in which he so enrolls shall, for purposes of section 1839(c) of such Act [42 U.S.C. 1395r(c)], be deemed to have closed on December 31, 1967.”

§ 1395s. Payment of premiums

(a) Deductions from section 402 or 423 monthly benefits

(1) In the case of an individual who is entitled to monthly benefits under section 402 or 423 of

this title, his monthly premiums under this part shall (except as provided in subsections (b)(1) and (c)) be collected by deducting the amount thereof from the amount of such monthly benefits. Such deduction shall be made in such manner and at such times as the Commissioner of Social Security shall by regulation prescribe. Such regulations shall be prescribed after consultation with the Secretary.

(2) The Secretary of the Treasury shall, from time to time, transfer from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund to the Federal Supplementary Medical Insurance Trust Fund the aggregate amount deducted under paragraph (1) for the period to which such transfer relates from benefits under section 402 or 423 of this title which are payable from such Trust Fund. Such transfer shall be made on the basis of a certification by the Commissioner of Social Security and shall be appropriately adjusted to the extent that prior transfers were too great or too small.

(b) Deductions from railroad retirement annuities or pensions

(1) In the case of an individual who is entitled to receive for a month an annuity under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.] (whether or not such individual is also entitled for such month to a monthly insurance benefit under section 402 of this title), his monthly premiums under this part shall (except as provided in subsection (c)) be collected by deducting the amount thereof from such annuity or pension. Such deduction shall be made in such manner and at such times as the Secretary shall by regulations prescribe. Such regulations shall be prescribed only after consultation with the Railroad Retirement Board.

(2) The Secretary of the Treasury shall, from time to time, transfer from the Railroad Retirement Account to the Federal Supplementary Medical Insurance Trust Fund the aggregate amount deducted under paragraph (1) for the period to which such transfer relates. Such transfers shall be made on the basis of a certification by the Railroad Retirement Board and shall be appropriately adjusted to the extent that prior transfers were too great or too small.

(c) Portion of monthly premium in excess of deducted amount

If an individual to whom subsection (a) or (b) applies estimates that the amount which will be available for deduction under such subsection for any premium payment period will be less than the amount of the monthly premiums for such period, he may (under regulations) pay to the Secretary such portion of the monthly premiums for such period as he desires.

(d) Deductions from civil service retirement annuities

(1) In the case of an individual receiving an annuity under subchapter III of chapter 83 of title 5 or any other law administered by the Director of the Office of Personnel Management providing retirement or survivorship protection, to whom neither subsection (a) nor subsection (b) applies, his monthly premiums under this part (and the monthly premiums of the spouse of