

NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS FOR UA LOCAL 342

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TO: ALL ACTIVE AND RETIRED PARTICIPANTS

RE: MEDICARE PART D INCOME RELATED MONTHLY ADJUSTMENT AMOUNT (“IRMAA”) INFORMATION- FOR HIGHER INCOMES

You are receiving this Notice because you are either currently enrolled or may be eligible to enroll in the future in a Medicare Part D Prescription Drug Plan as part of your coverage through the Northern California Pipe Trades Health and Welfare Plan. Please note that even if you are not yet enrolled in Medicare, this Notice contains important information about how a higher income could affect your additional premium amount for Medicare Part D coverage.

This Notice is for informational purposes only. No action is required on your part.

MEDICARE PART D INCOME RELATED MONTHLY ADJUSTMENT AMOUNT (“IRMAA”) INFORMATION

What is the Medicare Part D-IRMAA Premium?

You are either currently enrolled or may be eligible to enroll in the future in a Medicare Part D Prescription Drug Plan as part of your coverage through the Northern California Pipe Trades Health and Welfare Plan (“Plan”). If you earn a higher income (above \$106,000 for individuals or above \$212,000 for married couples), federal law requires that you pay an additional premium for your Medicare Prescription Drug Coverage (Part D) to the Social Security Administration (“SSA”). This additional premium is called the Income Related Monthly Adjustment Amount (also known as “IRMAA”). This premium is in addition to any Medicare Part D premium and Medicare Part B premium (doctors’ services and outpatient care) you may have to pay. The premium is based on your modified adjusted gross income as reported on your IRS tax return from **two** years ago (thus, the fee in 2025 will be based on your adjusted gross income on your 2023 tax return). Please note, the IRMAA premium can change every year. **Note: If your income isn’t greater than the limits described above, this law does not apply to you.**

How will I know if I have to pay Part D-IRMAA?

The SSA will provide you with a notice if it determines that the additional IRMAA premium applies to you. The SSA notice will provide you with information about SSA’s determination, including your appeal rights. You may get this notice at any time.

In 2025, you pay the following additional IRMAA premium (based on your 2023 adjusted gross income):

If you file an Individual Tax Return	If you’re Married and file a Joint Tax Return	If you’re Married and file a Separate Tax Return	2025 You Pay (monthly Part D cost)
≤ \$106,00	≤ \$212,000	≤ \$106,000	\$0
> \$106,000 - \$133,000	> \$212,000 - \$266,000	Not Applicable	\$13.70
> \$133,000 - \$167,000	> \$266,000 - \$334,000	Not Applicable	\$35.30
> \$167,000 - \$200,000	> \$334,000 - \$400,000	Not Applicable	\$57.00
> \$200,000 - \$500,000	> \$400,000 - \$750,000	> \$106,000 - \$394,000	\$78.60
> \$500,000	> \$750,000	> \$394,000	\$85.80

If you are married and live with your spouse at any time during the year but file a separate tax return from your spouse, different amounts will be owed.

Who do I pay Part D-IRMAA to?

If your income level requires that you pay the additional Part D-IRMAA premium, you do not pay the premium to the Plan. Instead, you pay Part D-IRMAA directly to Medicare on a monthly basis, through the following:

- Withheld from your Social Security benefits; or
- Direct billing by the Centers for Medicare & Medicaid Services (“CMS”) for individuals who do not receive Social Security benefits, or their benefit amount is not enough to cover the Part D-IRMAA amount; or
- Direct billing by the Railroad Retirement Board, if applicable.

If you receive sufficient Social Security benefits to pay the additional Part D-IRMAA premium, then the deduction will just occur. There will be no bill sent to you.

****If you receive a bill, you should pay the full amount by the 25th day of the month (the Medicare “Due Date”). You pay Medicare, not the Plan. Failure to pay on time will result in the loss of prescription drug coverage. ****

What if I disagree with the amount?

You should immediately contact the SSA if you disagree with the amount. The letter you receive from the SSA will explain what you can do, including filing a written appeal or request for new determination. You can ask for a new determination, if your income has gone down (e.g. two years ago you were working, and your income is now significantly lower because you retired) and you experience one of the following life changing events:

- You married, divorced, received an annulment, or became widowed.
- You or your spouse stopped working or reduced your work hours.
- You or your spouse lost income-producing property due to a disaster or other event beyond your control.
- You or your spouse experienced a scheduled cessation, termination, or reorganization of an employer’s pension plan.
- You or your spouse received a settlement from an employer or former employer because of the employer’s closure, bankruptcy, or reorganization.

To request an appeal, you can file online by visiting socialsecurity.gov/disability/appeal, find the appeal form online at socialsecurity.gov/online, call 800/772-1213 (TTY 800/325-0778) to request a form be sent to you, or visit your local Social Security office. To ask for a new determination without having to file an appeal because you experienced one of the events listed above, complete form SSA-44 at <http://www.ssa.gov/forms/ssa-44.pdf> or visit your local Social Security office.

What happens if I don’t pay?

Generally, there is an initial three-month grace period for you to fully pay your Part D-IRMAA. If you do not pay the additional Part D-IRMAA by the end of the three months, **you will be disenrolled from your Part D Prescription Drug Plan**, even if it is part of your employer coverage or Medicare Advantage plan. The effective date of the disenrollment is the first of the month following the end of the initial grace period. The Plan will notify you of your disenrollment within 10 days of receiving your disenrollment notice from the Centers for Medicare & Medicaid Services (“CMS”).

Can I get my Part D coverage back after disenrollment/What appeal rights do I have?

You have the right to have CMS reconsider your disenrollment if you show good cause for not paying the Part D-IRMAA, no later than 60 days after your disenrollment date. You must request reinstatement by contacting CMS at 800/633-4227 (TTY 877/486-2048). Good cause would have to be a rare circumstance in which you were unable to make a timely payment due to circumstances over which you had no control and could not reasonably have been expected to foresee, such as a prolonged illness or hospitalization, natural disaster, death or serious illness of a family member, loss of a home, severe impact by fire or other exceptional circumstance out of your control. In addition to showing good cause, reinstatement requires that you fully pay all overdue and currently owed Part D-IRMAA amounts and/or plan premiums within three months of your disenrollment date. After receipt of your request, CMS will contact you and notify you of its determination. If CMS makes a favorable determination, it will also contact the Plan. Keep in mind your actual reinstatement will not occur until all required payments are made. If you are reinstated for good cause, your effective date of reinstatement will be retroactive to your disenrollment date.

Contact Information

If you have questions about the additional IRMAA amount, please call Social Security at 800/772-1213 or visit socialsecurity.gov/benefits/medicare/mediinfo.html. TTY users should call 800/325-0778.

If you have questions about your Medicare Prescription Drug Coverage or believe there has been a mistake on your bill, call 1-800-MEDICARE (800/633-4227) or visit [medicare.gov](https://www.medicare.gov). TTY users should call 877/486-2048.

To learn more, you may review Medicare’s Prescription Drug Coverage publication at www.medicare.gov/publications/11469-income-and-drug-premiums.pdf or visit the SSA website at ssa.gov/pubs.