§ 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. 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) of this section, 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) of this section) 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.

(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) or (l) of section 1395p of this title, the monthly premium determined under subsection (a) of this section (without regard to any adjustment under subsection (i) of this section) 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.

(c) Premiums rounded to nearest multiple of ten cents

If any monthly premium determined under the foregoing provisioons 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) of this section (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 of this title and ending with his death; except that any period during all of which an individual satisfied paragraph (1) of section 1395o 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 eligibility” 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)).

(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 B and who is within a class of individuals specified in the agreement under paragraph (1).

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

(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) of this
section, the monthly premium otherwise determined under this section 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.].

(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) of this section, 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–29 of this title who are
not enrolled in an MA plan under part C of this subchapter 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) of this title shall be construed as affecting the
amount of any premium adjustment under subsection (b) or (i) of this section. Subsection (f) of this
section 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) 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, 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 table in subparagraph (C) for the individual minus 25 percentage points.
(ii) Unsubsidized part B premium amount

200 percent of the monthly actuarial rate for enrollees age 65 and over (as determined under subsection (a)(1) of this section for the year).

(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

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) 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.

(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 adjusted 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 percentage 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

In the case of any calendar year beginning after 2007, 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.

(B) Rounding

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

(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, 2019—

(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.

Footnotes

1 See References in Text note below.
42 USC 1395r

References in Text


Amendments

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)(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)(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, 67 percent.

“(v) For 2011, 70 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)”.


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) of this section)” after “subsection (a) of this section”.

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) of this section,” 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).


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) of this section, 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) of this section, 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) of this section)” after “year that”.


1997—Subsec. (a)(2). Pub. L. 105–33, § 4571(b)(1)(B), 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.”


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)” for “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).


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 note 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. 101–234 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)(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) of this section)” for “determined under subsection (a) or (e) of this section”.

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


1986—Subsec. (b). Pub. L. 99–272, § 9313(1), substituted “of each such year” for “of such year”.


Subsec. (f)(2)(A). Pub. L. 99–509, § 9319(c)(4), 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 can demonstrate that the individual was enrolled in a 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.


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).


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”.


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.


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).
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.

**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**

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**
Section 151(c)(3) of Pub. L. 103–432 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 Amendments**
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.

**Effective Date of 1988 Amendments**
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.

Section 211(d) of Pub. L. 100–360, 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 Amendments
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.
Section 9219(a)(3)(A) of Pub. L. 99–272 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 Amendments
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.
Section 2302(c) of Pub. L. 98–369 provided that: “The amendments made by this section [amending this section] shall apply to premiums for months beginning with January 1986.”
Section 2338(d)(1) of Pub. L. 98–369 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 Amendments; Transitional Rule
Section 606(c) of Pub. L. 98–21 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 [parts A and B of this subchapter] 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 [section 1395w (a)(1) of this title] 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
Section 104(b) of Pub. L. 94–182 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 [subsec. (c)(3) of this section] after the date of the enactment of this Act [Dec. 31, 1975].”

Effective Date of 1968 Amendment
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 [parts A and B of this subchapter].”

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 [subsecs. (a) and (b) of this section]—

“(1) the dollar amount applicable for premiums under part B of title XVIII of such Act [this part] 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 [this part] 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 [subsec. (c) of this section], be deemed to have closed on December 31, 1967.”