



2021 ADJUSTMENTS

SOCIAL SECURITY & MEDICARE PART B



2021 SOCIAL SECURITY CHANGES

2021 ADJUSTMENTS TO SOCIAL SECURITY

The Social Security Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) from the third quarter of 2019 through the third quarter of 2020, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 1.3% COLA for 2021. Other important 2021 Social Security information is as follows:

Tax Rate	2020	2021
Employee	7.65%	7.65%
Self-Employed	15.30%	15.30%

NOTE: The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9% in Medicare taxes. The tax rates shown above do not include the 0.9%.

	2020	2021
Maximum Taxable Earnings		
Social Security (OASDI only)	\$137,700	\$142,800
Medicare (HI only)	No Limit	
Quarter of Coverage		
	\$1,410	\$1,470
Retirement Earnings Test Exempt Amounts		
Under full retirement age	\$18,240/yr. (\$1,520/mo.)	\$18,960/yr. (\$1,580/mo.)
NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.		
The year an individual reaches full retirement age	\$48,600/yr. (\$4,050/mo.)	\$50,520/yr. (\$4,210/mo.)
NOTE: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit.		
Beginning the month an individual attains full retirement age	None	

From the Social Security National Press Office in Baltimore, MD

This press release was produced and disseminated at U.S. taxpayer expense.

	2020	2021
Social Security Disability Thresholds		
Substantial Gainful Activity (SGA)		
Non-Blind	\$1,260/mo.	\$1,310/mo.
Blind	\$2,110/mo.	\$2,190/mo.
Trial Work Period (TWP)	\$ 910/mo.	\$ 940/mo.
Maximum Social Security Benefit: Worker Retiring at Full Retirement Age		
	\$3,011/mo.	\$3,148/mo.
SSI Federal Payment Standard		
Individual	\$ 783/mo.	\$ 794/mo.
Couple	\$1,175/mo.	\$1,191/mo.
SSI Resource Limits		
Individual	\$2,000	\$2,000
Couple	\$3,000	\$3,000
SSI Student Exclusion		
Monthly limit	\$1,900	\$1,930
Annual limit	\$7,670	\$7,770
Estimated Average Monthly Social Security Benefits Payable in January 2021		
	Before 1.3% COLA	After 1.3% COLA
All Retired Workers	\$1,523	\$1,543
Aged Couple, Both Receiving Benefits	\$2,563	\$2,596
Widowed Mother and Two Children	\$2,962	\$3,001
Aged Widow(er) Alone	\$1,434	\$1,453
Disabled Worker, Spouse and One or More Children	\$2,195	\$2,224
All Disabled Workers	\$1,261	\$1,277

This press release was produced and disseminated at U.S. taxpayer expense.

2021 ADJUSTMENTS TO MEDICARE PART B

The Medicare Income Related Monthly Adjustment Amount (IRMAA)

The standard Medicare Part B premium amount in 2021 is \$148.50. Most people pay the standard Part B premium amount. If their modified adjusted gross income (MAGI) as reported on the IRS tax return from 2 years ago is above a certain amount, they'll pay the standard premium amount and an income-related monthly adjustment amount (IRMAA). IRMAA is an extra charge added to premiums.

If people's yearly income in 2019 (for what they'll pay in 2021) was 2021			What they pay each month (in 2021)
File individual tax return	File joint tax return	File married & separate tax return	
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
Above \$88,000 up to \$111,000	Above \$176,000 up to \$222,000	Not applicable	\$207.90
Above \$111,000 up to \$138,000	Above \$222,000 up to \$276,000	Not applicable	\$297.00
Above \$138,000 up to \$165,000	Above \$276,000 up to \$330,000	Not applicable	\$386.10
Above \$165,000 and less than \$500,000	Above \$330,000 and less than \$750,000	Above \$88,000 and less than \$412,000	\$475.20
\$500,000 or above	\$750,000 and above	\$412,000 and above	\$504.90

In 2021, seniors pay \$203 for their Part B deductible. After meeting their deductible for the year, they typically pay 20% of the Medicare-approved amount for these:

- Most doctor services (including most doctor services while a hospital inpatient)
- Outpatient therapy
- Durable medical equipment (DME)

