



**IMPORTANT INFORMATION ABOUT MEDICARE
PART B REIMBURSEMENT IN 2017**

December 2016

The purpose of this notice is to inform you of the State’s plan for administering the 2017 New York State Health Insurance Program (NYSHIP) reimbursement of Medicare Part B premium for you and/or your dependent(s).

As you may be aware, the Centers for Medicare and Medicaid Services (CMS) establishes the Part B premium each year after taking into account the annual Social Security cost of living adjustment (COLA). Unlike prior years when there have been only one or two Medicare Part B standard premium amounts, CMS has established many different Medicare Part B premiums for 2017. This is a result of the federal “hold harmless” protections, which ensure enrollees’ “take home” Social Security amounts do not decrease on a year-to-year basis.

At this time, NYSHIP is unable to reimburse your exact Medicare Part B standard premium, as we do not have access to NYSHIP retirees’ and dependents’ Social Security allowances, COLA information or specific Medicare Part B premium charges. Therefore, NYSHIP will be reimbursing you and your dependents one of three Medicare Part B premiums. Please refer to the chart below to determine the monthly Medicare Part B premium reimbursement you will receive from NYSHIP for you and/or your Medicare-primary dependents.

Medicare Part B Enrollment Date	Reimbursement in 2016	Reimbursement in 2017
Prior to January 1, 2016	\$104.90	\$109.00
January 1, 2016, through December 31, 2016	\$121.80	\$125.90
January 1, 2017, or after*	n/a	\$134.00

* NYSHIP will automatically reimburse the full Medicare Part B premium for this group.

In addition to individuals who enroll in Part B for the first time in 2017, the following individuals will also be reimbursed \$134.00 per month in 2017:

- Individuals not receiving Social Security benefits;
- Individuals billed directly for Part B premium; and
- Individuals paying a Medicare Part B Income Related Monthly Adjustment Amount (IRMAA). This applies to retirees with a Modified Adjusted Gross Income (MAGI) above certain thresholds. Similar to previous years, the IRMAA portion of the Medicare premium will be reimbursed at the end of the calendar year. IRMAA reimbursement forms are generally mailed to enrollees in January of each year, to coincide with the receipt of the 1099-SSA.

The Department is developing a corrective action plan to adjust the amounts reimbursed for 2017 to reflect the amount actually charged by the federal government. At this time, we urge you not to call the Department/NYSHIP on this matter or to submit documentation of the actual amount CMS has charged you. NYSHIP will notify you if any additional information is required.

Thank you for your patience regarding this matter.

Employee Benefits Division