

OVERVIEW

Medicare Part B and D premiums are dependent on your Modified Adjusted Gross Income (MAGI) from two years prior, so your 2026 premiums will be dictated by the income you already claimed in 2024.

2026 IRMAA Brackets for Medicare Part B & Part D				
If your filing status and MAGI in the tax year 2024 was:				
File Individual Tax Return (2024 Income)	File Joint Tax Return (2024 Income)	Married Filing Separate (2024 Income)	Part B (Monthly Premium)	Part D (Monthly Premium)
\$109,000 or less	\$218,000 or less	\$109,000 or less	\$202.90	Your Premium (No Surcharge)
Above \$109,000 to \$137,000	Above \$218,000 to \$274,000	N/A	\$284.10	Plan Premium + \$14.50
Above \$137,000 to \$171,000	Above \$274,000 to \$342,000	N/A	\$405.80	Plan Premium + \$37.50
Above \$171,000 to \$205,000	Above \$342,000 to \$410,000	N/A	\$527.50	Plan Premium + \$60.40
Above \$205,000 and less than \$500,000	Above \$410,000 and less than \$750,000	Above \$109,000 and less than \$391,000	\$649.20	Plan Premium + \$83.30
\$500,000 or more	\$750,000 or more	\$391,000 or more	\$689.90	Plan Premium + \$91.00

Source: Medicare.gov, 2026 Medicare Costs

If your MAGI is expected to be above \$218,000 (joint) or \$109,000 (single), then it's important your financial plan accounts for these higher premiums. Many financial planners overlook these costs, forcing you to take money away from other goals in order to fund the higher-than anticipated medical expenses.

YOU MAY QUALIFY FOR LOWER PREMIUMS

If 2024 was an unusually high-income year for you due to marriage, divorce, being widowed, the loss of Income-producing property, changes or termination of pension, changes in employment, or a settlement from an employer due to company closure, you may be able to appeal for lower premiums by filing a [Life Changing Event](#) form with the Social Security Administration at no cost.

CONSIDER MAGI REDUCTION STRATEGIES

There are a number of strategies you can employ to reduce your MAGI throughout retirement, in turn potentially lowering Part B and D Medicare premiums.

Below are a few examples:



Strategic Roth Conversions

Explore personalized Roth IRA conversion strategies prior to 73 in order to lower your MAGI when you're forced to take required minimum distributions (RMDs)



Manage Investment Income

Invest in assets that don't pay dividends in your taxable accounts and/or limit realized capital gains



Give Through Your RMDs

Make charitable donations with your RMDs



Harvest Investment Losses

Sell assets that are at a loss



Optimize Your Withdrawals

Reduce IRA distributions by utilizing a dynamic withdrawal strategy



Maximize Contributions & Deductions

Increase employer-sponsored plan contributions or any above-the-line deductions (e.g., deductible IRA contributions, Health, Savings Accounts contributions, self-employed retirement income contributions)

We suggest you work with an advisor who has a team of tax professionals on staff to help you develop various cash flow strategies that can lower your health care costs and benefit your retirement plan.

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