



SOCIAL SECURITY AND MEDICARE: Your 2026 Quick Guide

SOCIAL SECURITY FULL RETIREMENT AGE (FRA)

If you retire early, your Social Security benefits are reduced.

| Year of Birth ¹ | Full Retirement Age | Age 62 Reduction |
|----------------------------|---------------------|------------------|
| 1943 -1954 | 66 | 25.00% |
| 1955 | 66 and 2 months | 25.83% |
| 1956 | 66 and 4 months | 26.67% |
| 1957 | 66 and 6 months | 27.50% |
| 1958 | 66 and 8 months | 28.33% |
| 1959 | 66 and 10 months | 29.17% |
| 1960 or later | 67 | 30.00% |

¹If you were born on Jan. 1, refer to the previous year.

Source: Social Security Administration, Benefit Reduction for Early Retirement, <https://www.ssa.gov/oact/quickcalc/earlyretire.html>

SOCIAL SECURITY BENEFITS

Maximum monthly benefit \$4,152

Earnings limitations and benefit reduction

Before FRA: \$1 benefit reduction for every \$2 in earnings above \$24,480/year.

Year up until first month one turns FRA: \$1 benefit reduction for every \$3 in earnings above \$65,160.

After FRA: No reduction

Source: Social Security Administration, Fact Sheet, 2026, <https://www.ssa.gov/news/en/cola/factsheets/2026.html>

Social Security benefits taxation

(Income in retirement causing up to 50%, or up to 85%, of Social Security benefits to be taxable)

Single or HOH

Up to 50% taxable: \$25,000 MAGI*
Up to 85% taxable: \$34,000 MAGI

Married, joint

Up to 50% taxable: \$32,000 MAGI*
Up to 85% taxable: \$44,000 MAGI

*Modified Adjusted Gross Income

Source: Benefits Planner: Income Taxes and Your Social Security Benefits, <https://www.ssa.gov/planners/taxes.html>

SOCIAL SECURITY FICA PAYROLL TAXES

| | |
|---|--|
| Wage base | \$184,500 |
| Employee Social Security rate | 6.2% |
| Employee Medicare rate | 1.45% |
| Self-employed Social Security rate | 12.4% |
| Self-employed Medicare rate | 2.9% |
| Additional Medicare tax of 0.9% for wages in excess of: | Single or HOH*: \$200,000 Married, joint: \$250,000 Married, separate: \$125,000 |
| Earnings required for 1 credit | \$1,890 |

*Also applies to qualifying widow(er) with dependent child.

Sources: Social Security Administration, Fact Sheet, 2026, <https://www.ssa.gov/news/en/cola/factsheets/2026.html>; Social Security and Medicare Withholding Rates, IRS, <https://www.irs.gov/taxtopics/tc751>; Questions and answers for the Additional Medicare Tax, IRS, <https://www.irs.gov/businesses/small-businesses-self-employed/questions-and-answers-for-the-additional-medicare-tax>

PRIMARY INSURANCE AMOUNT (PIA) CALCULATION

The PIA is the benefit you would receive if you elect to begin receiving retirement benefits at your Full Retirement Age.

| Average indexed monthly earnings (AIME) | PIA (as % of AIME) |
|---|--|
| \$0 – \$1,286 | 90% |
| \$1,287 – \$7,749 | \$1,157.40 plus 32% of excess over \$1,286 through \$7,749 |
| \$7,750 | \$3,225.56 plus 15% of the excess over \$7,751 |

Source: Social Security Administration Primary Insurance Amount, <https://www.ssa.gov/news/en/cola/factsheets/2026.html>

SOCIAL SECURITY COST-OF-LIVING ADJUSTMENTS (COLAS)

Percentage increase to benefits received, starting in January of the year indicated.

| Year | % increase | Year | % increase |
|------|------------|------|------------|
| 2026 | 2.8% | 2020 | 1.6% |
| 2024 | 3.2% | 2019 | 2.8% |
| 2023 | 8.7% | 2018 | 2.0% |
| 2022 | 5.9% | 2017 | 0.3% |
| 2021 | 1.3% | 2016 | 0.0% |

Source: <https://www.ssa.gov/news/en/cola/factsheets/2026.html>

PART A HOSPITAL

| | |
|---|--|
| Inpatient Hospital Stay – You pay... (benefit period ends 60 days after release from care) Deductible: \$1,736 per benefit period Coinsurance (days 1-60): \$0 per day of each benefit period Coinsurance (days 61-90): \$434 per day of each benefit period Coinsurance (60 lifetime reserve days): \$868 per day after day 90 of each benefit period | Skilled Nursing Facility Stay – You pay... (3-day inpatient hospital stay required first) Coinsurance (days 1-20): \$0 per day of each benefit period Coinsurance (days 21-100): \$217 per day of each benefit period Days 101+: All costs |
|---|--|

Source: Centers for Medicare & Medicaid Services, 2026 Medicare Parts A & B Premiums and Deductibles, <https://www.cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles>

PART B MEDICARE

Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A.

- Part B Deductible – You pay \$283 per calendar year
- Part B Coverage – You pay generally 20% after \$283 deductible is met
- Part B Premium (including high-income Part B & Part D) [paid to Medicare]

Those enrolled in Part B will pay at least the standard \$202.90/month premium (based on income). Higher-income earners will pay a Part B IRMAA (Income-Related Monthly Adjustment Amount) in addition to the \$202.90/month standard premium.

Those with higher income who are enrolled in Part D prescription drug coverage also pay a Part D IRMAA in addition to the montly insurance premium for Part D prescription drug plan or Medicare Advantage plan that includes Part D coverage.

Source: Centers for Medicare & Medicaid Services, 2026 Medicare Parts A & B Premiums and Deductibles, <https://www.cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles>

PART D PREMIUMS BY INCOME

Most Medicare prescription drug plans charge a monthly premium that varies by plan. You pay this in addition to the Medicare Part B premium. If you join a Medicare Advantage Plan (Part C) or Medicare Cost Plan that includes Medicare prescription drug coverage, the plan's monthly premium may include an amount for drug coverage.

Source: Medicare.gov, Monthly premium for drug plans, <https://www.medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/monthly-premium-for-drug-plans>

| IF YOUR YEARLY INCOME (MAGI: MODIFIED ADJUSTED GROSS INCOME*) IN 2024 WAS... | | | YOU PAY IN 2026 (PER PERSON) MONTHLY PREMIUMS TO MEDICARE | |
|--|------------------------|-------------------------------|---|---|
| Individual Tax Return | Joint Tax Return | Married & Separate Tax Return | Part B Premium + IRMAA | Part D IRMAA (in addition to Part D plan premium) |
| \$109,000 or less | \$218,000 or less | \$109,000 or less | \$202.90 | --- |
| \$109,001 to \$137,000 | \$218,001 to \$274,000 | N/A | \$284.10 (\$202.90 + 81.20) | \$14.50 |
| \$137,001 to \$171,000 | \$274,001 to \$342,000 | N/A | \$405.80 (\$202.90 + 202.90) | \$37.50 |
| \$171,001 to \$205,000 | \$342,001 to \$410,000 | N/A | \$527.50 (\$202.90 + 324.60) | \$60.40 |
| \$205,001 to \$500,000 | \$410,001 to \$750,000 | \$109,001 to \$391,000 | \$649.20 (\$202.90 + 446.30) | \$83.30 |
| \$500,000+ | \$750,000+ | \$391,000 | \$689.90 (\$202.90 + 487.00) | \$91.00 |

*2024 MAGI = Adjusted Gross Income (Form 1040 line 11) + Tax-Exempt Interest (Form 1040 line 2a)
Source: Medicare.gov. Monthly premium for drug plans, 2026, <https://www.medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/monthly-premium-for-drug-plans>
Source: Centers for Medicare & Medicaid Services, 2026 Medicare Parts A & B Premiums and Deductibles/2025 Medicare Part D Income-Related Monthly Adjustment Amounts, <https://www.cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles>

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