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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%

[1]If 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%	2021	1.3%
2025	2.5%	2020	1.6%
2024	3.2%	2019	2.8%
2023	8.7%	2018	2.0%
2022	5.9%	2017	0.3%

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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12/25-5019350

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