

Fourth Quarter 2025

Social Security & Medicare News

News that puts you in the know!



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2026 Social Security Updates

On October 24, 2025, the Social Security Administration (SSA) announced all the 2026 figures. Social Security beneficiaries will **receive a 2.8% cost-of-living adjustment (COLA)** for monthly benefits payable in 2026 (compared to a 2.5% increase in 2025). The COLA is based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). For the average retired worker, the increase is about \$56 a month for a monthly benefit of \$2,071.

The **Social Security taxable earnings base** increases to \$184,500 in 2026. There are about 184 million working people paying this combined 7.65% payroll tax, matched by their employers, to support these programs. [See the 2026 Social Security figures compared to 2025 in the summary table.](#)

2026 Medicare Updates

On November 14, 2025, the Centers for Medicare and Medicaid Services (CMS), an agency under the Department of Health and Human Services, released the 2026 Medicare premiums and deductibles.

The **standard Part B monthly premium decreases to \$202.90 in 2026** for most current, new, and high-income Medicare beneficiaries and for people whose Medicare premiums are paid by Medicaid. Beneficiaries with high incomes pay additional income-related Part B premiums.

The Part D, Medicare standard prescription drug plan, monthly premium varies depending on your plan. These premiums are adjusted every January. Drug plan enrollment is within three months of becoming eligible for Medicare. Individuals can change plans or enroll for the first time from October 15 to December 7 with coverage effective January 1. High-income enrollees in Part D pay a premium surcharge that operates like the Part B program.

The summary tables that follow show the new 2026 Medicare figures compared to 2025. The four Part D figures at the end of the table released on April 7, 2025.

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Summary Table: 2026 Figures Compared to 2025

Social Security	2025	2026
Cost-of-living Adjustment (COLA) for December (payable in January).	2.5% (12/24)	2.8% (12/25)
FICA tax rate: <ul style="list-style-type: none"> Social Security for employees. Medicare (Hospital Insurance). An additional FICA tax of 0.9% applies to high-income beneficiaries with annual incomes above \$200,000 (\$250,000 for married couples filing jointly). The employer does not pay this additional percentage. 	6.20% 1.45%	6.20% 1.45%
Maximum Social Security earnings for tax contributions and benefits.	\$176,100	\$184,500
Medicare taxable earnings.	no limit	no limit
Earnings required to earn one credit (maximum of four credits per year).	\$1,810	\$1,890
Retirement Earnings Test exempt amounts: <ul style="list-style-type: none"> Under full retirement age (FRA) throughout year Reaches FRA in year (period before the month FRA is attained). FRA and over. 	\$23,400 \$62,160 no limit	\$24,480 \$65,160 no limit
Maximum monthly retirement benefit at FRA.	\$4,018	\$4,152

Medicare Part A (Hospital Insurance)	2025	2026
Part A inpatient deductible per benefit period.	\$1,676	\$1,736
Part A daily coinsurance 61st through 90th days.	\$419	\$434
Part A daily coinsurance for up to 60 "lifetime reserve" days.	\$838	\$868
Part A daily coinsurance 21st through 100th days in a skilled nursing facility.	\$209.50	\$217
Part A voluntary monthly premium if not eligible for premium-free Part A.	\$518	\$565
Part A reduced monthly premium for persons with 30-39 credits.	\$285	\$311

Medicare Part B (Medical Insurance)	2025	2026																												
Part B annual deductible.	\$257	\$283																												
Part B (Medical Insurance) standard monthly premium for most current, new, and high-income Medicare beneficiaries, and people whose Medicare premium is paid by Medicaid.	\$185.00	\$202.90																												
Part B (Medical Insurance) standard monthly premium:* <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"><u>File an Individual Tax Return</u></td> <td style="width: 30%;"><u>File a Joint Tax Return</u></td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> </tr> <tr> <td>0 to \$109,000 annual income</td> <td>0 to \$218,000 annual income</td> <td>\$185.00</td> <td>\$202.90</td> </tr> <tr> <td>\$109,001 to \$137,000</td> <td>\$218,001 to \$274,000</td> <td>\$259.00</td> <td>\$284.10</td> </tr> <tr> <td>\$137,001 to \$171,000</td> <td>\$274,001 to \$342,000</td> <td>\$370.00</td> <td>\$405.80</td> </tr> <tr> <td>\$171,001 to \$205,000</td> <td>\$342,001 to \$410,000</td> <td>\$480.90</td> <td>\$527.50</td> </tr> <tr> <td>\$205,001 to \$499,999</td> <td>\$410,001 to \$749,999</td> <td>\$591.90</td> <td>\$649.20</td> </tr> <tr> <td>\$500,000 or more</td> <td>\$750,000 or more</td> <td>\$628.90</td> <td>\$689.90</td> </tr> </table>	<u>File an Individual Tax Return</u>	<u>File a Joint Tax Return</u>			0 to \$109,000 annual income	0 to \$218,000 annual income	\$185.00	\$202.90	\$109,001 to \$137,000	\$218,001 to \$274,000	\$259.00	\$284.10	\$137,001 to \$171,000	\$274,001 to \$342,000	\$370.00	\$405.80	\$171,001 to \$205,000	\$342,001 to \$410,000	\$480.90	\$527.50	\$205,001 to \$499,999	\$410,001 to \$749,999	\$591.90	\$649.20	\$500,000 or more	\$750,000 or more	\$628.90	\$689.90		
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*Income brackets for beneficiaries based on their 2024 federal income tax return filing status and adjusted gross income in 2026 (2023 returns for 2025 with different income thresholds).																														

Medicare Part D (Prescription Drug Coverage)		2025	2026
Part D (Prescription Drug Coverage) monthly premium (estimate).		\$36.78	\$34.50
Part D monthly premium adjustment for high-income beneficiaries (paid to Medicare):*			
<u>File an Individual Tax Return</u>	<u>File a Joint Tax Return</u>		
0 to \$109,000 annual income	0 to \$218,000 annual income	\$0	\$0
\$109,001 to \$137,000	\$218,001 to \$274,000	+ \$13.70	+ \$14.50
\$137,001 to \$171,000	\$274,001 to \$342,000	+ \$35.30	+ \$37.50
\$171,001 to \$205,000	\$342,001 to \$410,000	+ \$57.00	+ \$60.40
\$205,001 to \$499,999	\$410,001 to \$749,999	+ \$78.60	+ \$83.30
\$500,000 or more	\$750,000 or more	+ \$85.80	+ \$91.00
*Income brackets for beneficiaries based on their 2024 federal income tax return filing status and adjusted gross income in 2026 (2023 returns for 2025 with different income thresholds).			

2026 Part D Figures Released April 7, 2025		2025	2026
Part D deductible.		\$590	\$615
Part D catastrophic threshold.		\$2,000	\$2,100

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