



Social Security

Program Operations Manual System (POMS)

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HI 01101.050 Beneficiary Questions an IRMAA Determination or Decision

A. Policy for beneficiary questions about the income-related monthly adjustment amount (IRMAA) determinations or decisions

The following policies will answer most questions beneficiaries have regarding IRMAA.

1. Medicare beneficiaries with an IRMAA who meet certain criteria can request that we make a new initial determination of their IRMAA.

NOTE: The original IRMAA decision takes effect and continues until we make a new initial determination. If we make a new initial determination in the beneficiary's favor, we retroactively refund the excess IRMAA amount paid.

2. A person who disagrees with an IRMAA determination or decision has the right to the administrative and judicial review process.
3. A beneficiary who disagrees with the information the Internal Revenue Service (IRS) provided about their modified adjusted gross income (MAGI) should discuss the information with IRS, unless they allege that:
 - they filed an amended tax return, or
 - they have their two-year old tax information when IRS provided us with three-year old tax information, or
 - we computed their MAGI incorrectly.

B. Determining the appropriate process for service representative (SR) and 800 number agents

The following chart provides SRs and 800 number agents with guidance on the action to take when handling a beneficiary's allegation that would affect the IRMAA determination:

If...	Then...	Why...
<p>the beneficiary alleges a life changing event and a reduction in income, see HI 01120.005</p>	<ul style="list-style-type: none"> • 800 number agent sets up an appointment with the servicing field office. • SRs refer to or make an appointment with a Claims Representative (CR). • Both 800 number agents and SR's need to advise the beneficiary that we need proof of the event (unless it is already in our records, like a verified death of the spouse) and of the reduction in income. 	<p>It is possible that the beneficiary is eligible for a new initial determination.</p>
<p>the beneficiary disagrees with the information IRS provided us and has not filed an amended return, or received a correction from IRS</p>	<p>advise the beneficiary to contact IRS at 1-800-829-1040. We need to see a letter from IRS acknowledging any changes made.</p>	<p>If IRS verifies that the information they provided is an IRS error, IRS can correct the information and provide the beneficiary with a correction of the MAGI information upon the beneficiary's request. The beneficiary must provide this information to us later to request a new initial determination.</p>
<p>the beneficiary alleges:</p> <ul style="list-style-type: none"> • having an amended tax return, see HI 01120.045 • having corrected IRS information, see HI 01120.050 	<ul style="list-style-type: none"> • 800 number agent sets up an appointment with the servicing field office. • SRs refer to or make an appointment with CR. • Both 800 number agents and SR's need to advise the beneficiary that we 	<p>It is possible that the beneficiary is eligible for a new initial determination.</p>

If...	Then...	Why...
<ul style="list-style-type: none"> having a copy of the filed tax return for the tax year that is two years prior to the premium year (PY-2) when we use the tax year that is three years prior to the premium year (PY-3), see HI 01120.055 	<p>need to see the signed copy of the filed tax return.</p>	
<p>the beneficiary alleges having a tax filing status of “Married, Filing Separately,” but did not live with a spouse at any time during the year, see HI 01120.060</p>	<p>Both 800 number agents and SRs need to determine that the living apart year occurred during the same tax year used to set IRMAA. Once that has been determined, the 800 number agent sets up an appointment with the servicing field office.</p> <p>SRs refer to or make an appointment with a CR.</p>	<p>In order for the beneficiary to have his or her IRMAA adjusted, the living apart year has to be the same tax year as the year used to set IRMAA. See HI 01120.060.</p>

C. Process for determining if the beneficiary is requesting a reconsideration or new initial determination

The following chart provides guidance to determine the process for handling a beneficiary’s allegation that would affect the IRMAA determination:

If...	Then...	Why...
<p>a beneficiary does not agree with how we figured their IRMAA (addition of the adjusted gross income (AGI) and tax-exempt interest)</p>	<p>consider if the beneficiary is asking for reconsideration. To process a reconsideration request, see HI 01140.005.</p>	<p>It is important to know what the beneficiary is asking, so that there is no misinformation or misdirection that could disadvantage the beneficiary.</p>

If...	Then...	Why...
<p>the beneficiary claims a life-changing event with a significant reduction in income</p>	<p>the beneficiary is asking for a new initial determination, not an appeal.</p> <ul style="list-style-type: none"> • Process the life-changing event using the appropriate IRMAA input screens. • Inform the beneficiary that evidence of the reduction in income and the event (unless already in our records, like a verified death of the spouse) will need to be provided. • For acceptable evidence, see HI 01120.005 through HI 01120.040. • Document the evidence using the Shared Process. 	<p>The beneficiary has a qualifying life-changing event with a reduction in income, a new initial determination is appropriate. The new decision will have appeal rights.</p>
<p>the beneficiary disagrees with the information IRS provided us and he or she has not filed an amended return or received a correction from IRS</p>	<ul style="list-style-type: none"> • Determine if the allegation may be an obvious tax-exempt income (TEI) transcription error. • If the allegation is a TEI transcription error, see HI 01120.050F. • If this allegation is not a TEI transcription error, advise the beneficiary to contact IRS at 1-800-829-1040. • Advise the beneficiary if IRS agrees that the information is erroneous and documentation from IRS confirming an IRS error is available, a request for a new initial determination can be filed. 	<p>If IRS verifies that the information provided to us is an error on IRS' part, IRS can correct the information and provide the beneficiary with a correction of the MAGI information upon the beneficiary's request.</p>

If...	Then...	Why...
<p>the beneficiary has an amended tax return for the tax year we used to determine IRMAA</p>	<p>the beneficiary is asking for a new initial determination, not an appeal.</p> <ul style="list-style-type: none"> • Process the tax information change using the appropriate IRMAA input screens. • Advise the beneficiary that we need to see the amended tax return and an acknowledgement letter from IRS. See HI 01120.045. • Document the evidence using the Shared Process. 	<p>If the beneficiary has more accurate tax information than what we used to determine IRMAA, a new initial determination is appropriate. The new decision will have appeal rights.</p>
<p>the beneficiary claims there was an error in the information IRS supplied us and has documentation from IRS showing the correction</p>	<p>the beneficiary is asking for a new initial determination, not an appeal.</p> <ul style="list-style-type: none"> • Process the tax information change using the appropriate IRMAA input screens. • Advise the beneficiary that we need to see the IRS documentation. For guidance on how to process a new initial determination based on corrected IRS information, see HI 01120.050. • Document the evidence using the Shared Process. 	<p>The beneficiary may be eligible for a new initial determination.</p>
<p>the beneficiary claims that we are using three-year old tax information and has a copy of the filed two-year old tax return</p>	<p>the beneficiary is asking for a new initial determination, not an appeal.</p> <ul style="list-style-type: none"> • Advise the beneficiary that we need to see the signed PY-2 filed tax return. For guidance on how to process a new initial determination 	<p>The beneficiary may be eligible for a new initial determination.</p>

If...	Then...	Why...
	<p>using beneficiary provided two-year old tax information, see HI 01120.055.</p> <ul style="list-style-type: none"> • Review all evidence submitted. • Process the tax information change using the appropriate IRMAA input screens. • Document the evidence using the Shared Process. 	
<p>the beneficiary's tax filing status was Married, Filing Separately, but the beneficiary did not live with a spouse at any time during the year used to set IRMAA</p>	<p>the beneficiary is asking for a new initial determination, not an appeal. For information concerning attesting to living apart throughout the tax year used to set IRMAA, see HI 01120.060.</p> <p>If the couple has subsequently divorced, the divorce may be a second life-changing event; if it resulted in a significant reduction in MAGI.</p>	<p>If the beneficiary had a tax filing status of Married, Filing Separately, but did not live with a spouse at any time during the tax year used to set IRMAA, we can make a new initial determination by applying the tables for a tax filer with a filing status of Single.</p>
<p>the beneficiary wants to update an MAGI estimate he or she gave us for a new initial determination or to provide or update other information regarding a pending request</p>	<p>See processing instructions for revising an MAGI estimate in HI 01120.065.</p> <p>For instruction on updating information regarding a pending request, see HI 01120.001G.</p>	<p>The updated information may be necessary to process a request to completion or may affect the current decision in place.</p>