



CURRENT

RAILROAD RETIREMENT INFORMATION AND REMINDERS

Medicare Information

In 2016, the Medicare Part B premium is \$121.80. Most beneficiaries, however, will pay \$104.90, the same amount as in 2015. By law, the increase in monthly Part B premiums for most beneficiaries cannot be more than the annual cost of living increase in monthly benefits. Because there is no cost of living increase for 2016, monthly Part B premiums for most beneficiaries stay the same as in 2015. This provision does not apply to individuals who do not have premiums deducted from their monthly benefits, or to beneficiaries who pay income-related monthly adjustment amounts.

Some people pay more than the standard premium because they enrolled late or because they withdrew from the program and enrolled again later. Also, Part B premiums are higher in 2016 for individuals with annual incomes above \$85,000, and for married couples with incomes above \$170,000. If you pay the higher Part B premium because of your income and have prescription drug coverage (Part D), the RRB will deduct the Part D income related monthly adjustment amount (IRMAA) from your monthly benefit. If your monthly benefit is not large enough for the deduction, the RRB will bill you monthly.

The Part B deductible for 2016 is \$166.00; up from \$147.00 in 2015. The Medicare Part A deductible in 2016 is \$1,288.00; up from \$1,260.00 in 2015. This is the amount you pay for a hospital stay before Medicare begins to pay.

You can request to have your Medicare Advantage Plan (Part C) and/or your prescription drug coverage (Part D) premiums deducted from your monthly payment. Contact your plan to request withholding.

To find out if you are eligible for a Medicare Savings Program, call your state medical assistance office. You can get the number for that office by calling 1-800-MEDICARE (1-800-633-4227) and asking for information about the Medicare Savings Program.

If you are a Medicare beneficiary with limited income and resources, you may also be able to get extra help paying for your monthly premiums, deductibles and co-payments under the Medicare prescription drug program. You can go online at www.ssa.gov and file an application or call SSA at 1-800-772-1213 (TTY 1-800-325-0778).

Beneficiaries now have the option to pay back a Medicare Part B or Part D IRMAA arrearage online through the Department of the Treasury's Pay.gov system. Payments can be made using

- a personal or business checking or savings account;
- a debit or credit card payment with Master Card, Visa, Discover or American Express;
- a DWOLLA account; or,
- PayPal.

You can access Pay.gov directly at <https://www.pay.gov/public/home> or through the RRB website at <https://secure.rrb.gov/onlinebillpayment.asp>.

Tax Information

The RRB will mail a tax statement for your 2015 railroad retirement benefits by January 31, 2016. If you do not receive a statement by February 15, 2016, contact your nearest RRB office.

The tax statement issued by RRB will only show the total Part B, Part C and/or Part D Medicare premiums that were deducted from railroad retirement benefits. Medicare premiums deducted from Social Security benefits paid by the RRB, paid by a third party, paid through direct billing, or refunded to you are not shown on the tax statements issued by RRB. Contact your nearest RRB office if your Medicare premiums are deducted from your Social Security Benefit and you need documentation for filing your taxes.

If the Internal Revenue Service (IRS) revises the income tax withholding rates used to calculate Federal income taxes for U.S. citizens, the new IRS tax rates will apply to benefit payments you receive beginning in January 2016. Your monthly benefit payment amount may change because of the new IRS tax rates. You can start, change, or cancel the amount of taxes withheld from your railroad retirement benefit by filing Form RRB W-4P and/or IRS Form W-4V with the RRB. Contact your nearest RRB office or visit www.rrb.gov for the forms.

If your monthly benefit amount includes Social Security benefits, the Social Security Administration (SSA) will mail you a separate tax statement. **If you want taxes withheld from Social Security benefits paid by the RRB you must contact SSA to request the withholding.** If you changed your address in the past year and have not reported the change to SSA, you must call them at 1-800-772-1213 or visit www.ssa.gov as soon as possible to report your new address.

Payment Schedule

Banks are required to post railroad retirement benefits to direct deposit recipients' account no later than the first business day of each month. To view a complete payment schedule for 2016, visit our web page at <http://www.rrb.gov/pands/info/paydates.asp>.

Let Us Know If You Change Your Address

We need your correct mailing address to mail benefit notices, tax statements and important information about changes that may affect your benefits. Please check your address on the accompanying letter. If it is correct, you do not have to do anything. If it is not correct, please contact your nearest Railroad Retirement Board (RRB) office to report your new address.

(SEE REVERSE SIDE FOR MORE INFORMATION)

Retiree Earnings Limits for 2016

The earnings limit for 2016 for railroad retirement beneficiaries who are under full retirement age (age 66 for individuals born in 1943 through 1954) and who work after retirement has been increased for 2016. For those under full retirement age throughout 2016, the exempt earnings amount is \$15,720. Benefits are reduced \$1.00 for each \$2.00 of earnings over the exempt amount of \$15,720.

For beneficiaries attaining full retirement age in 2016, the exempt amount is \$41,880 and **only earnings in the months before the month you attain full retirement age are counted.** We must deduct \$1.00 from benefits for each \$3.00 earned over \$41,880. Let us know if you need help determining your full retirement age.

There is no limit on earnings for beneficiaries who are full retirement age or older for the entire year.

Keep in mind that there are additional earnings rules that apply to some beneficiaries. Those rules are:

- ✓ *No railroad retirement benefits are payable for any month you **work for a railroad or railroad labor organization.** This rule applies to all beneficiaries, regardless of age or amount of earnings.*
- ✓ ***Retired employees and spouses** who work for their last pre-retirement non-railroad employer, **regardless of their age or the amount of their earnings, are subject to an earnings deduction.***

There are also special rules and earnings limits that apply to individuals who receive railroad retirement disability benefits.

Contact us if you receive disability benefits and are thinking about going to work.

What to Report and Why

Your annuity entitlement and the amount payable to you each month is determined according to law and by the circumstances that exist on the date your annuity begins. Any later changes in those circumstances are very important. To guarantee correct payment of the benefits you are due, you must notify the RRB about all of these events:

Notify the RRB:

- If there is a change in your marital status;
- If you begin to receive a pension from an agency of the Federal, state, or local government, or if your present payments change;
- If you file for social security benefits based on any person's earnings record;
- If you go to work for an employer in the railroad industry;
- If you will earn more than the annual earnings exempt amount, and it was not reported on the application;
- If you reported expected earnings and your earnings estimate changes;
- If your address changes;
- If any person for whom you are receiving benefits dies or leaves your care;
- If you are confined in a jail, prison, penal institution, or correctional institution due to a conviction for a criminal offense.

Are you getting your benefits by paper check?

The Department of the Treasury (Treasury) requires all Federal benefit and non-tax payments to be made electronically. There are three electronic payment options available to you; Direct Deposit, Direct MasterCard®, Express® Debit MasterCard®, and an Electronic Transfer Account.

Switching from checks to Direct Deposit, Direct Express® Debit MasterCard®, or Electronic Transfer Account is fast and easy. Go to www.GoDirect.org to enroll in Direct Deposit or Direct Express® Debit or www.eta-find.gov for more information regarding an Electronic Transfer Account. You can also learn more about all three options by calling Treasury's toll-free helpline at 1-800-333-1795, or by visiting your bank or other financial institution. You can also contact your nearest RRB office for assistance.

RRB Nationwide Telephone Service

If you have a touch-tone telephone, recorded information and automated services are available 24 hours a day, including weekends and holidays by calling the RRB at 1-877-772-5772. Through our automated services, retirees can request a letter showing their current monthly annuity rate, request a duplicate tax statement, or request a replacement Medicare card. In addition, RRB representatives are available through the toll-free service to speak with you from 9:00 a.m. to 3:30 p.m., Monday through Friday except Federal holidays.

Computer Matching and Privacy Protection

The Computer Matching and Privacy Protection Act of 1988 requires the RRB to periodically let you know that information you provide to us may be used, without your consent, in automated matching programs. These matching programs are a computer comparison of RRB records with records kept by other Federal, state or local government agencies. Information from these matching programs can be used to establish or verify a person's eligibility for benefits and to help in the collection of debts.

Computer matching programs are conducted under strict guidelines designed to ensure that confidential information is protected and only used for the limited purpose of the matching program.

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