

CalSTRS Medicare Premium Payment (MPP) Program

The CalSTRS Medicare Premium Payment Program is available to eligible members of the Defined Benefit Program who retire **prior to July 1, 2012**. Specifically, retired faculty who have not paid 40 quarters of Medicare Part A Tax or will not qualify through the employment history of spouse, age 65 and older, CalSTRS continues to fund the cost of Medicare Part A.

Effective July 1, 2012, CalSTRS discontinued their subsidies toward Medicare Part A premium for faculty members who retired **on or after July 1, 2012**.

Faculty do not pay into Social Security for his/her CalSTRS - covered employment, they are required pay the Medicare tax of 1.45 percent of gross earnings if they were hired after April 1986. Therefore, they may be eligible for premium-free Medicare Part A coverage on their own or they may qualify through their spouse's employment.