On average, Medicare benefits far exceed taxes over an individual’s lifetime.

**Expected Present Value of Lifetime Medicare Benefits and Taxes (2020 Dollars)**

- **2015**: Tax $175,000, Benefits $234,000
- **2025**: Taxes $234,000, Benefits $308,000
- **2035**: Taxes $308,000, Benefits $308,000

**Year Cohort Turns Age 65**


**NOTES**: Taxes and Benefits reflect those of the average single woman with average earnings ($56,000 in 2020 dollars). Data are reflected in 2020 dollars, adjusted to present value at age 65 using a 2 percent real interest rate. Adjusts for mortality after age 65. Assumes benefits scheduled in law will be paid. Assumes individual works every year starting at age 22 and retires at age 65. An average earner has earnings equal to the Social Security Administration’s national average wage index each year. Medicare benefits are net of premiums.

© 2021 Peter G. Peterson Foundation