



Information Partners Can Use on:

# Qualifying for Extra Help and Joining a Medicare Drug Plan

Medicare Prescription Drug Coverage

As of September 2007

People with Medicare with limited income and resources may qualify for extra help paying for Medicare prescription drug coverage costs. If they qualify, they will get help paying for their drug plan's monthly premium, yearly deductible, and prescription copayments.

## **How does a person qualify for this program?**

The amount of extra help people qualify for is based on their income and resources. In 2007, if a person has a yearly income below \$15,315 (\$20,535 for a married couple living together) and resources less than \$11,710 (\$23,410 for a married couple living together), he or she may qualify for extra help. These income and resource amounts may increase each year. If he or she lives in Alaska or Hawaii, or pays more than half of the living expenses of dependent family members (other than a spouse), income limits are higher. The resource limits include \$1,500 per person for burial expenses. Resources include savings and stocks, but not a person's home or car.

## **What ways can a person qualify for this program?**

There are people who automatically qualify for extra help and people who need to apply and qualify.

The chart on the next page lists the costs for a basic Medicare drug plan for people who automatically qualify for extra help.



## 2007 Costs for People Who **Automatically Qualify** for Extra Help

<b>If a person has Medicare and</b>	<b>Their monthly premium* is</b>	<b>Their yearly deductible is</b>	<b>Their cost** for each generic drug or certain preferred drugs on formulary won't be more than</b>	<b>Their cost** per other covered drug won't be more than</b>
Medicaid and has lived in a nursing home or other institution for at least 1 month	\$0	\$0	\$0	\$0
Medicaid and an annual income at or below \$10,210 (single) or \$13,690 (married couple living together)	\$0	\$0	\$1	\$3.10
Medicaid and an annual income above \$10,210 (single) or \$13,690 (married couple living together)	\$0	\$0	\$2.15	\$5.35
their state helps them pay for their Medicare premiums	\$0	\$0	\$2.15	\$5.35
they get Supplemental Security Income (SSI) benefits but not Medicaid	\$0	\$0	\$2.15	\$5.35

**Notes:** Income levels, resources, and cost sharing amounts are for 2007 and may increase each year.

\*There are plans available people can join and pay no monthly premium. There are other plans where they would have to pay a portion of the premium. People should ask about the premium when they compare plans.

\*\*The amounts decrease to \$0 per prescription once the amount they pay and Medicare pays (the extra help) reach \$3,850 per year.



## People who apply and qualify

People who don't automatically qualify should apply for extra help if they think they may qualify. People can call Social Security at 1-800-772-1213, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web, or apply at their State Medical Assistance (Medicaid) office. After they apply, they will get a letter in the mail letting them know if they qualify, how much they qualify for, and what to do next. **The chart below lists the costs for a basic Medicare drug plan for people who apply and qualify for extra help.**

### 2007 Costs for People Who **Apply and Qualify** for Extra Help

<b>If they have Medicare and their annual income is</b>	<b>Their monthly premium* is</b>	<b>Their yearly deductible is</b>	<b>Their cost for each generic drug or certain preferred drugs on formulary won't be more than</b>	<b>Their cost per other covered drug won't be more than</b>
below \$13,783 (\$18,481 for a married couple living together) and their resources are less than \$7,620 (\$12,190 for a married couple living together)	\$0	\$0	\$2.15**	\$5.35**
below \$13,783 (\$18,481 for a married couple living together) and their resources are more than \$7,620 but are less than \$11,710 (more than \$12,190 but are less than \$23,410 for a married couple living together)	\$0	Up to \$53	15% of the cost of each prescription***	15% of the cost of each prescription***
below \$15,315 (below \$20,535 for a married couple living together) and their resources are less than \$11,710 (\$23,410 for a married couple living together)	Discounted, but varies	Up to \$53	15% of the cost of each prescription***	15% of the cost of each prescription***

**Notes:** Income levels, resources, and cost sharing amounts are for 2007 and may increase each year.

\*There are plans available people can join and pay no monthly premium. There are other plans where they would have to pay a portion of the premium. People should ask about the premium when they compare plans. The amounts decrease to \*\*\$0 per prescription or \*\*\*\$2.15 and \$5.35 per prescription once the amount they pay and Medicare pays (the extra help) reach \$3,850 per year.



## When can people who qualify for extra help join a drug plan?

A person who qualifies for extra help must join a Medicare drug plan to get Medicare prescription drug coverage.

People with Medicare can join, switch, or drop a Medicare drug plan at the following times:

- When they first become eligible for Medicare (3 months before they turn age 65 to 3 months after they turn age 65).
- If they get Medicare due to a disability, they can join during the 3 months before or 3 months after their 25th month of cash disability payments.
- From November 15—December 31 of each year and their coverage begins on January 1 of the following year.
- At any time if they qualify for extra help. This includes people who have Medicare and Medicaid, belong to a Medicare Savings Program, get Supplemental Security Income benefits (but not Medicaid), and those who apply and qualify.

**If a person who qualifies for extra help doesn't join a Medicare drug plan, Medicare will enroll them in a plan. People can decline enrollment in any plan Medicare selects for them by calling 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.**

## When will Medicare enroll people who qualify for extra help into drug plans?

- For people who have coverage from a state Medicaid program that currently pays for prescriptions and become eligible for Medicare, their Medicare drug coverage will begin the first day of the month that their Medicare benefits (Part A and/or Part B) begin. If they do not join a Medicare drug plan on their own or decline enrollment, Medicare will enroll them in a drug plan for drug coverage effective the first day that their Medicare benefits begin so they don't have a gap in prescription drug coverage.
- For people who have Medicare and become eligible for Medicaid benefits, Medicare will enroll them in a Medicare drug plan if they aren't already enrolled in one unless they decline enrollment. When Medicare identifies these individuals, their coverage and extra help are effective back to the first day they were eligible for Medicaid benefits so they don't have a gap in prescription drug coverage.



## When can people who qualify for extra help join a drug plan? (continued)

- For people who have Medicare and get help from their state Medicaid program paying their Medicare Part A and/or Part B premiums (belong to a Medicare Savings Program), Medicare will enroll them in a drug plan if they don't join one on their own unless they decline enrollment. Medicare will send these individuals a letter letting them know when their coverage begins.
- For people who apply and qualify for extra help or get Supplemental Security Income (SSI) benefits, Medicare will enroll them in a drug plan if they don't join one on their own unless they decline enrollment. Medicare will send these individuals a letter letting them know when their coverage begins.

## What about people who no longer qualify for extra help as of January 1, 2008?

Medicare is giving people who no longer qualify for extra help an opportunity to enroll in a plan or switch plans from January 1 through March 31, 2008, or starting the month they are notified through the 2 months after, whichever is later.

### For more information

For more information about extra help, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web or call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.

Use the resources below for more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov) on the web and use the Medicare Prescription Drug Plan Finder tool. People can use their Medicare number, Medicare effective date (Part A and/or Part B), date of birth, last name, and ZIP code to get personalized drug plan information. They can enter and save their current prescription drug information to get more detailed cost information.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. They can call to get the information they need 24 hours a day, 7 days a week.



### For more information (continued)

A speech-automated system will ask them questions that they answer with their voice to direct their call automatically.

For...	Just say...
Extra Help	“Limited Incomes”
Medicare prescription drug enrollment status	“Drug Coverage”
Telephone number for your State Medical Assistance (Medicaid) Office	“Medicaid”
Medicare publications	“Publications”
A customer service representative	“Agent”





*My Health.*  
*My Medicare.*

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