

Medicare's "extra help" program helps eligible patients pay less for their prescriptions

Medicare beneficiaries who need prescription medications but are unable to afford them may be eligible for the Medicare Part D Low-Income Subsidy Program. This Social Security Administration program, also known as Extra Help, subsidizes premiums, deductibles, and co-pays that are paid to the prescription drug provider or Medicare Advantage prescription drug plan for people with limited income/resources.¹

ELIGIBILITY IS BASED ON 3 FACTORS²⁻⁴

Medicare enrollment²

Enrollment in a Medicare prescription drug plan is required.

Limited income/resources³

Income/resources must total less than the following to qualify:

Partial subsidy:
\$15,160 (single) or
\$30,240 (married)

Full subsidy:
\$9090 (single) or
\$13,630 (married)

Location⁴

Residency in 1 of the 50 states or the District of Columbia is required.

STANDARD AND LOW-INCOME SUBSIDY BENEFIT LEVELS (2023)^{3,5,*}

Patient OOP costs

		Deductible	Initial coverage/coverage gap	Catastrophic coverage
Standard	≥150% FPL*	\$505	25% UP TO \$7400	5% coinsurance or \$4.15/\$10.35 (GENERIC/BRAND)
	136% to 149% FPL† or ≤135% FPL (higher resource level)	\$104	15% UP TO \$7400	5% coinsurance or \$4.15/\$10.35 (GENERIC/BRAND)
Partial	≤135% FPL (lower resource level)	\$0	\$4.15/\$10.35 (GENERIC/BRAND)	\$0
Full	≤100% FPL to >100% FPL	\$0	\$1.45-\$4.15 GENERIC \$4.30-\$10.35 BRAND	\$0

FPL=Federal Poverty Limit; OOP=out-of-pocket.

*Premiums are ~\$400 annually; they vary by plan and are typically calculated as 25.5% of expected Medicare Part D benefits per patient.⁶

†Premium subsidies include 25% from 146% to 149% FPL; 50% from 141% to 145% FPL; 75% from 136% to 140% FPL.⁵

Eligible patients have 3 ways to apply²:

Go to <https://www.ssa.gov/extrahelp>

Fill out the online Application for *Extra Help with Medicare Prescription Drug Plan Costs* (Form SSA-1020) or print it and mail the form to the Social Security Administration.

Call 1-800-772-1213

Request an application or apply directly over the phone.

Visit a local Social Security Administration office

Find an office via ZIP Code locator at <https://secure.ssa.gov/ICON/main.jsp>.

FOR MORE INFORMATION, CHECK OUT THESE HELPFUL RESOURCES:

- *Understanding the Extra Help With Your Medicare Prescription Drug Plan* brochure at <https://www.ssa.gov/pubs/EN-05-10508.pdf>
- Extra Help Program eligibility qualifications at <https://www.ssa.gov/pubs/EN-05-10508.pdf>
- Medicare & You 2023 brochure at <https://www.medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf>

References: **1.** Medicare & You 2023. Department of Health and Human Services. Accessed October 19, 2022. <https://www.medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf> **2.** Social Security Administration. Understanding the extra help with your Medicare Prescription Drug Plan. Social Security Administration website. Published February 2022. Accessed October 19, 2022. <https://www.ssa.gov/pubs/EN-05-10508.pdf> **3.** Medicare Plan Payment Group, Centers for Medicare & Medicaid Services. 2023 Resource and cost-sharing limits for low-income subsidy. Memo; October 25, 2022. Accessed December 1, 2022. <https://www.cms.gov/files/document/lis-memo.pdf> **4.** Medicare Prescription Drug Benefit Manual Chapter 13 - Premium and cost-sharing subsidies for low-income individuals. CMS. Revised October 2018. Accessed October 24, 2022. <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter-13-Premium-and-Cost-Sharing-Subsidies-for-Low-Income-Individuals-v09-14-2018.pdf> **5.** Advance notice of methodological changes for calendar year (CY) 2023 for Medicare Advantage (MA) capitation rates and Part C and Part D payment policies. CMS. Published February 2, 2022. Accessed October 24, 2022. <https://www.cms.gov/files/document/2023-advance-notice.pdf> **6.** Part D payment system. Medicare Payment Advisory Commission website. Revised November 2021. Accessed October 19, 2022. https://www.medpac.gov/wp-content/uploads/2021/11/medpac_payment_basics_21_partd_final_sec.pdf