

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 for the full subsidy:

\$17,600 (single) or \$35,130 (married)

Location⁴

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

STANDARD AND LOW-INCOME SUBSIDY BENEFIT LEVELS (2025)^{3,5,*}

Patient OOP costs

		Deductible	Initial coverage/coverage gap	Catastrophic coverage
Standard	≥150% FPL*	\$590	25% UP TO ~\$2,000	Not applicable
	>100% and <150% FPL (lower resource level)	\$0	\$4.90/\$12.15 (GENERIC/BRAND)	Not applicable
Full	≤100% FPL	\$0	\$1.60-\$4.90 GENERIC \$4.80-\$12.15 BRAND	Not applicable

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

*Premiums are ~\$400 annually; they vary by plan and are typically calculated as 22.5% of expected Medicare Part D benefits per patient.⁶

Eligible patients have 3 ways to apply²:

Go to <https://www.ssa.gov/medicare/part-d-extra-help>

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 2024 brochure at <https://www.medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf>

References: **1.** Medicare & You 2024. Department of Health and Human Services. Accessed November 13, 2023. <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 November 13, 2023. <https://www.ssa.gov/pubs/EN-05-10508.pdf> **3.** Medicare Plan Payment Group, Centers for Medicare & Medicaid Services. 2024 Resource and cost-sharing limits for low-income subsidy. Memo; October 31, 2023. Accessed November 13, 2023. <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 November 13, 2023. <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) 2024 for Medicare Advantage (MA) capitation rates and Part C and Part D payment policies. CMS. Published March 31, 2023. Accessed November 13, 2023. <https://www.cms.gov/files/document/2024-advance-notice-pdf.pdf> **6.** Part D payment system. Medicare Payment Advisory Commission website. Revised October 2023. Accessed November 13, 2023. https://www.medpac.gov/wp-content/uploads/2022/10/MedPAC_Payment_Basics_23_PartD_FINAL_SEC.pdf



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