Extra Help With Prescription Drug Costs:
2019 Medicare Low-Income Subsidy (LIS)

Eligible patients may be able to access brand-name drugs for less than $10 per month.
What Is Extra Help for Prescription Drugs?

Anyone who has Medicare can get Medicare prescription drug coverage (Medicare Part D). Some people with limited resources and income may also be able to get Extra Help to pay for the costs related to a Medicare prescription drug plan, such as monthly premiums, annual deductibles and prescription co-payments. Recently, the Social Security Administration (SSA) estimated Extra Help to be worth about $4,900 a year.1 This is an important savings – one that many qualified people don’t know about.

Who Qualifies for Extra Help?

In order to qualify for Extra Help:

• You must be enrolled in a Medicare Prescription Drug plan. Extra Help only applies to the costs associated with Medicare prescription drug coverage. There are other programs that may help with other Medicare costs, but the Low-Income Subsidy (or “Extra Help”) is only for Medicare prescription drug costs.

• You must live in one of the 50 states or the District of Columbia. If you live in 1 of the 5 American territories (Puerto Rico, US Virgin Islands, Guam, Northern Mariana Islands, or American Samoa), there are programs to help pay some Medicare costs. Programs vary, so call or visit your Medicaid office to learn what other help may be available.

• You must have limited income. To qualify for Extra Help in 2019, the annual income limit for individuals is $18,735* and $25,365* for a married couple living together.2,3 But even if your income is higher, you may still be able to qualify for some help under certain circumstances, for example, if you live in Alaska or Hawaii, or you or your spouse supports other family members who live with you. Also, some cash payments don’t count as income: food stamps (Supplemental Nutrition Assistance Program), home energy assistance, and earned income tax payments are just a few. Contact Social Security for other exclusions.

• You must have limited resources. To qualify for Extra Help, resources must not total more than $14,390† for individuals and $28,720† for a married couple living together.4 Countable resources include things like bank accounts and investments (eg, stocks, bonds). Your home, vehicle, furniture, personal possessions and life insurance policies don’t count as resources.

How Can I Get Extra Help?

Automatic: If you have Medicare and Medicaid (also called “dual eligible”), receive Supplemental Social Security Income (SSI) benefits, or get help paying for Medicare through a Medicare Savings Program,5 you will automatically get Extra Help.6

Apply: If you have limited income and resources but do not meet the automatic enrollment requirements, you may apply for Extra Help by submitting an application to the SSA. To determine if you are eligible, Social Security will need your income and resource information. Documents that may help you prepare include:

• Social Security card
• Bank account statements (savings, checking)
• Investment account statements (retirement accounts, mutual funds, etc.)
• Tax returns
• Payroll stubs
• Most recent benefits letter/statement (Social Security, Veterans, other)

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* These income limits represent 150% of the 2019 Federal Poverty Level (FPL) for the 48 contiguous States and District of Columbia. Alaska and Hawaii have separate and slightly higher poverty levels.1
† Presumes that beneficiary has notified SSA of intent to use some resources for burial expenses (burial exclusion).4
**How Do I Apply?**

There is no cost to apply for Extra Help. Even if you are not sure if you are eligible, go ahead and apply. Social Security will review your application and determine if you qualify and determine the level of assistance you can receive. If you find that you are not eligible when you first apply, you can reapply for Extra Help at any time if your income and resources change.

**There are a number of ways to apply:**

- To apply online, visit: [https://secure.ssa.gov/i1020/start](https://secure.ssa.gov/i1020/start). This application may be filled out online or completed and mailed to the SSA office. The website includes instructions in multiple languages.

- To apply by telephone, mail a paper application, or make an appointment at the local SSA office, call 1-800-772-1213 (TTY users should call 1-800-325-0778).

- To apply through the State Medical Assistance (Medicaid) office, visit [https://www.medicare.gov/contacts/](https://www.medicare.gov/contacts/) to get the contact information for the state office, or call 1-800-MEDICARE (1-800-633-4227) and say ”Medicaid” to obtain the telephone number (TTY users should call 1-877-486-2048).

The SSA will verify with the Internal Revenue Service (IRS) the financial information you submit with your application. If you are eligible for Extra Help, Medicare will notify you and the Part D plan in which you are enrolled.

**When Should I Apply?**

You can apply for Extra Help at any time. If you find that you are not eligible when you first apply, you can always reapply if your income and resources change.

**How Does Extra Help Work?**

When you apply for Extra Help, the SSA will first determine your eligibility for the program and then the level of assistance for which you qualify. In other words, how much the Extra Help program will pay toward your Medicare prescription drug costs is determined by your financial need and eligibility for other government assistance such as the Medicare Savings Program. There are 2 levels of Extra Help: full subsidy and partial subsidy. Here is a quick look at the different benefit levels:

**Summary of 2019 Medicare Part D Benefit Levels for Extra Help**

<table>
<thead>
<tr>
<th>Level of Extra Help</th>
<th>Eligibility</th>
<th>Benefit</th>
</tr>
</thead>
</table>
| **FULL Low-Income Subsidy** | • Medicare + Medicaid, Medicare Savings Program or SSI  
• Income levels at or below 135% of the Federal Poverty Level (FPL)*  
• Resources that do not exceed the SSA limitations | • Premium: 100% coverage  
• Deductible: $0  
• Co-payment for generic drugs: as low as $0  
• Co-payment for brand-name drugs: as low as $0 |
| **PARTIAL Low-Income Subsidy** | • Medicare only  
• Income level above 135% but below 150% of the FPL  
• Resources that do not exceed the SSA limitations | • Premium: 25%-75% coverage  
• Deductible: $85.00  
• Co-insurance: 15% up to Out-of-Pocket Threshold |

*Federal Poverty Level (FPL): A measure of income issued every year by the Department of Health and Human Services. Federal poverty levels are used to determine your eligibility for certain programs and benefits, including savings on Medicare prescription drug costs.

**What if I Don’t Qualify for Extra Help?**

If you don’t qualify for Extra Help, there may be other ways to lower your prescription drug costs:

- Your state may have programs to help with some of the costs. You can contact your Medicaid office or your State Health Insurance Assistance Program (SHIP) at: [https://www.shiptacenter.org](https://www.shiptacenter.org) for more information.

- When selecting a Part D plan, you can use the Medicare Plan Finder at: [https://www.medicare.gov/find-a-plan/questions/home.aspx](https://www.medicare.gov/find-a-plan/questions/home.aspx) to compare Medicare drug plans to find a plan with lower costs.

- You may also find out if the company that makes your drug offers any help paying for it.

If you believe that your request for Extra Help was incorrectly denied, you may appeal the decision. You will need to complete the SSA form “Appeal of Determination for Extra Help with Medicare Prescription Drug Plan Costs,” which can be found, along with instructions for completion, at: [https://www.ssa.gov/benefits/medicare/prescriptionhelp/forms.html](https://www.ssa.gov/benefits/medicare/prescriptionhelp/forms.html). Remember, you can also reapply for Extra Help at any time if your income and resources change.
I Want to Apply. What Should I Do Next?

Remember, if you have Medicare and Medicaid (dual eligible), have Medicare and receive SSI, or belong to a Medicare Savings Program (QMB, SLMB or QI), you will get the Extra Help automatically and do not need to apply. If you are not eligible for automatic enrollment and want to apply, here are some steps to help you prepare:

- Identify things you own alone, with your spouse, or with someone else, but do not include your home, vehicles, burial plots, life insurance policies, or personal possessions.
- Identify your income from all sources: wages, Social Security benefits, pensions, and any other sources, but do not include food stamps, energy assistance, or other income exclusions.
- Gather your records: bank statements, tax returns, payroll slips, and any other statements or certificates that show your income and resources.
- Visit the SSA website to review the Extra Help application and instructions: [https://secure.ssa.gov/i1020/start](https://secure.ssa.gov/i1020/start) or call the SSA office 1-800-772-1213 (TTY users should call 1-800-325-0778) for a paper application. You can also get an application at your local SSA office.
- Apply: complete the online form, mail a paper application, or complete the application at your local SSA office.

RESOURCES

Extra Help Forms
For the Extra Help application and instructions for completion, please see: 
[https://www.ssa.gov/medicare/prescriptionhelp/forms.html](https://www.ssa.gov/medicare/prescriptionhelp/forms.html)

You may also call Social Security at 1-800-772-1213 (TTY 1-800-325-0778) to apply over the phone or to request an original paper application or apply at your local Social Security office.

Understanding Extra Help

Medicare Information

To receive a print copy of this publication, call 1-800-MEDICARE (1-800-633-4227) TTY users, call (1-877-486-2048)

Medicaid Information
To find information on Medicaid in any state, visit: [https://www.medicaid.gov](https://www.medicaid.gov)

State Health Insurance Assistance Programs (SHIPS)
The State Health Insurance Assistance Program is a national program that offers one-on-one counseling and assistance to people with Medicare and their families. For more information, and to find your local SHIP branch, please see: [https://www.shiptacenter.org](https://www.shiptacenter.org)
**Medicare Part D 2019 Prescription Drug Benefit**

**Low-Income Subsidy Parameters**

<table>
<thead>
<tr>
<th>Category</th>
<th>Eligible for Both Medicare and Medicaid (Dual Eligible)</th>
<th>Eligible for Medicare and Medicare Savings Programs (QMB, SLMB, QI) or SSI</th>
<th>Eligible for Medicare Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Eligibility</td>
<td>≤100% FPL</td>
<td>&gt;100% FPL</td>
<td>≤135% FPL</td>
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<tr>
<td>Resource Limits*</td>
<td>Subject to Medicaid Resource Test</td>
<td>Subject to Medicaid Resource Test</td>
<td>≤$9,230 (individual) ≤$14,600 (married)</td>
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<tr>
<td>Premium Subsidy</td>
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<td>100%</td>
<td>100%</td>
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<td>$0</td>
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<tr>
<td>Co-payment/Co-insurance</td>
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<td>$3.40 Generic $8.50 Brand</td>
<td>$3.40 Generic $8.50 Brand</td>
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<tr>
<td>Maximum Catastrophic Co-payment</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

*All resource limits in this chart include the $1,500 per person burial exclusion.

†Institutionalized, or those who would be institutionalized if not receiving home- and community-based services.

**REFERENCES**


5. Medicare Savings Programs help qualified beneficiaries pay for Medicare Parts A and B costs, and include: the Qualified Medicare Beneficiary Program (QMB); Specified Low-Income Medicare Beneficiary Program (SLMB); and Qualifying Individual Program (QI). For more information, please see: https://www.medicare.gov/your-medicare-costs/help-paying-costs/medicare-savings-programs.html. Accessed March 21, 2019.

