

Getting Extra Help with Paying for Medicare

Part D Prescription Drug Costs in 2017

If your income and resources (or assets) are limited, you may qualify for Extra Help, or the low-income subsidy (LIS), that assists in paying for your medication costs. If you qualify, you will receive financial assistance a full subsidy amount or at a partial subsidy amount.

Frequently Asked Questions Regarding Extra Help

1. Do I have to pay a deductible on my plan for my prescription drugs under the Medicare D benefit? What if I can't afford these costs?

Medicare Part D drug plans may have an initial deductible of up to \$400 for 2017 before your Part D savings begin. But, if you receive Extra Help, that deductible will be \$0 to \$82 depending on your level of assistance. You will also have to pay, throughout your benefit, part of the cost of each drug on your plan's formulary that your purchase. The amount you pay for plan-covered drugs will change, depending on where you are at in the benefit and the level of Extra Help you receive.

2. What does Extra Help do for me if I qualify?

Your clients with Medicare who have limited income and assets may qualify for Extra Help with the costs of their prescription drugs. The Social Security Administration (SSA) and Medicare work together to provide this extra help through the low-income subsidy (LIS), or Extra Help program. Most people who qualify for the LIS/Extra Help will pay:

- No or reduced premiums,
- No or reduced deductibles,
- No more than \$3.30 for generics and \$8.25 in 2017 for brand name drugs that the plan covers, and
- Allows a Special Enrollment Period if you wish to switch plans throughout the year.

3. How do I know if I am eligible for Extra Help?

In general you may qualify for Extra Help in 2017 if:

Your monthly income is at or below \$1485 if you are single (\$17,820 annual income), or at or below \$2,003 if you are married and living with your spouse (\$24,030 annual income). You might qualify even if you have slightly higher income if you provide at least half of the financial support for other relatives living in your household, if you have earnings from work, or if you live in Alaska or Hawaii.

AND

Your resources or assets (such as savings accounts or investments) are at or below \$12,320 for an individual or \$24,600 if you are married and living with your spouse. All asset eligibility limits include a \$1,500 per person burial allowance.

4. How do I apply for the Extra Help with my prescription drug costs?

You can call the SHICK Coordinator at the Area Agency on Aging for assistance with the application for Extra Help at 785-242-7200 or 1-800-633-5621. You can also apply online at www.BenefitsCheckUp.org or www.socialsecurity.gov. Some people don't have to apply to get Extra Help. See the next question to find out who doesn't have to apply.

5. What does the term "deemed eligible" mean?

If you are deemed eligible it means that you will automatically qualify for a benefit even though you have not officially applied for it. In the case of the Medicare Part D, you will be deemed automatically eligible for the Extra Help/LIS program if:

- ✓ You are enrolled in both Medicare and Medicaid, or
- ✓ You are enrolled in Medicare and receive Supplemental Security Income (SSI), or
- ✓ You are enrolled in a Medicare Savings Program (MSP), and your state pays your Medicare Part B premiums and maybe some other Medicare costs.

If you are automatically deemed eligible, you should get a letter from the Centers for Medicare and Medicaid Services (CMS) telling you that you do not have to apply for this Extra Help.

6. Which kinds of documentation must I submit with my Extra Help application form?

You do not need to provide copies of any documents (such as checking account statements, tax returns, or paycheck stubs) as proof of eligibility for Extra Help. Your declaration of income and resources is accepted for the Extra Help application process. Social Security will compare your answers on the application with other federal agencies' records to confirm your information.

7. Do I need to report in-kind support (things I am given to help me get food or shelter) or the cash value of my life insurance policy?

As of 2010, the Social Security Administration no longer counts in-kind maintenance or support as income on the Extra Help application. This means that you do not need to report the monetary value of shelter and food help you get from family members or caregivers as income. Also, you no longer have to report the cash surrender value of your life insurance policy (the amount you could have gotten if you cashed in your life insurance).

8. What happens after I submit the application to the Social Security Administration?

After the Social Security Administration processes your Extra Help application, they will do the following things:

- ✓ Send a notice telling you they received your application
- ✓ Contact you with additional questions (if application is complete or if income information does not match up with other federal records)
- ✓ Determine whether you are eligible for Extra Help
- ✓ Notify you about whether you are or are not eligible for the Extra Help
- ✓ Send your application information to your state Medicaid agency to start your application for a Medicare Savings Program (unless you tell them not to)

NOTE: It's important you do not complete multiple Extra Help applications. This can cancel out an original application and delays the process. If you are awaiting confirmation or a decision on your eligibility, call Social Security at 1-800-772-1213 to find out the status of your application.

9. If the Social Security Administration says I do not qualify for the Extra Help, can I appeal?

Yes. If SSA determined you are not eligible for the Extra Help, you may appeal the decision within 60 days. You can file an appeal request at any SSA office in person, by mail, by fax, or by phone (1-800-772-1213)