



*My Health.  
My Medicare.*

## **Frequently Asked Questions**

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### **2010 “Extra Help” Program (Low-Income Subsidy)**

#### **What is “Extra Help”?**

“Extra Help” (also called the “low-income subsidy” or LIS) is available to help people with Medicare who have limited income and resources pay for Medicare prescription drug coverage. Anyone who has Medicare can get Medicare Part D prescription drug coverage. If you qualify for “Extra Help,” you will receive assistance in paying for costs such as monthly premiums, annual deductibles, and prescription co-payments related to a Medicare prescription drug plan. Many people qualify and don’t know it. It is estimated that over 1.8 million Medicare beneficiaries may be eligible for “Extra Help” but are not currently enrolled.

#### **How do I qualify for “Extra Help”?**

To qualify for “Extra Help”:

- You must reside in one of the 50 states or the District of Columbia.
- Your resources must be limited to \$12,510 for an individual or \$25,010 for a married couple living together. Resources include such things as bank accounts, stocks, and bonds. Your house and car do not count as resources.
- Your annual income must be limited to \$16,245 for an individual or \$21,855 for a married couple living together. Even if your annual income is higher, you still may be able to get some help. Some examples where your income may be higher are if you or your spouse:
  - Support other family members who live with you
  - Have earnings from work
  - Live in Alaska or Hawaii

#### **What’s new this year with “Extra Help”?**

Changes resulting from the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) that take effect this year make it easier than ever for Medicare beneficiaries to qualify for “Extra Help” from Medicare. As of January 1, 2010, when determining your eligibility for “Extra Help:”



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- Your life insurance policy will no longer count as a resource
- Help you receive regularly from someone else to pay your household expenses such as; food, mortgage, rent, heating fuel or gas, electricity, water, and property taxes will no longer count as income.

If you already receive “Extra Help,” you will not need to reapply in 2010. Social Security will see if you are entitled to any additional “Extra Help” because your life insurance or help with household expenses will no longer count as resources or income toward your eligibility.

### **How can I lower my prescription drug costs with “Extra Help” from Medicare?**

With the “Extra Help” program from Medicare, you pay no more than \$2.50 for generics and \$6.30 for each brand name drug. The Social Security Administration estimates that “Extra Help” can save Medicare beneficiaries as much as \$3,900 per year.

### **How can I apply for “Extra Help”?**

It is easy to apply for “Extra Help.” Just complete Social Security’s [Application for Extra Help with Medicare Prescription Drug Plan Costs \(SSA-1020\)](#). Here’s how:

- You can apply online at [www.socialsecurity.gov](http://www.socialsecurity.gov);
- Call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**) to apply over the phone or to request an application
- Apply at your [local Social Security office](#).

After you apply, Social Security will review your application and send you a letter to let you know if you qualify for “Extra Help.” Once you qualify, you can choose a Medicare prescription drug plan. If you do not select a plan, Medicare will select a plan for you. The sooner you join a plan the sooner you begin receiving benefits.

### **How can I get help in my community from a local counselor?**

You can receive one-on-one help in applying for “Extra Help” from your State Health Insurance Assistance Program (SHIP). Here’s how to contact your local SHIP:



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- Local SHIP contact information can be found online at:  
[www.medicare.gov/contacts/staticpages/ships.aspx](http://www.medicare.gov/contacts/staticpages/ships.aspx)
- Look on the back of your [Medicare & You 2010](#) handbook or;
- Call Medicare at 1-800-MEDICARE (1-800-633-4227; TTY, 1-877-486-2048)

### **How can I get more information about “Extra Help”?**

For more information about getting “Extra Help” with your Medicare prescription drug plan costs, visit [www.socialsecurity.gov/prescriptionhelp](http://www.socialsecurity.gov/prescriptionhelp) or call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**). Social Security representatives are available to help you complete your application. All the information you give is confidential.

If you need information about Medicare Savings Programs, Medicare prescription drug plans, how to enroll in a plan, or to request a copy of the [Medicare & You 2010](#) handbook, please visit [www.medicare.gov](http://www.medicare.gov) or call **1-800-MEDICARE (1-800-633-4227; TTY, 1-877-486-2048)**.