

Medicare Part D: Cost Sharing for Low-Income Beneficiaries (2006)

Maximum Monthly Income	Maximum Assets	Annual Deductible	Monthly Premium	Co-Pays Until Out-of-Pocket Costs (including Extra Help) Total \$3,600 ²	Catastrophic Benefit After Out-of-Pocket Costs (incl. Extra Help) Total \$3,600
<i>Full Dual-Eligibles: Entitled to Medicare and Full Medicaid Benefits</i>					
If the state income maximum is no more than 100% of FPL: <ul style="list-style-type: none"> • Single: ≤ \$817 • Married: ≤ \$1,100 	May vary from state to state, but generally: <ul style="list-style-type: none"> • Single: ≤ \$2,000 • Married: ≤ \$4,000 	\$0	\$0 ¹	\$1 per generic or preferred brand drug or \$3 per prescription for all other drugs until total drug costs reach \$3,600	Free prescriptions
If the state income maximum is above 100% of FPL: <ul style="list-style-type: none"> • Single: > \$817 • Married: > \$1,100 	May vary from state to state, but generally: <ul style="list-style-type: none"> • Single: ≤ \$2,000 • Married: ≤ \$4,000 	\$0	\$0 ¹	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$3,600	Free prescriptions
<i>Medicare Savings Program Enrollees* and SSI Recipients Not Automatically Given Medicaid**</i>					
More than 100% of FPL but less than 135% of FPL: <ul style="list-style-type: none"> • Single: \$817.01-\$1,102.99 • Married: \$1,100.01-\$1,484.99 	<ul style="list-style-type: none"> • Single: ≤ \$4,000³ • Married: ≤ \$6,000³ 	\$0	\$0 ¹	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$3,600	Free prescriptions
<i>Other Low-Income Beneficiaries</i>					
More than 100% of FPL but less than 135% of FPL: <ul style="list-style-type: none"> • Single: \$817.01-\$1,102.99 • Married: \$1,100.01-\$1,484.99 	<ul style="list-style-type: none"> • Single: < \$6,000⁴ • Married: < \$9,000⁴ 	\$0	\$0 ¹	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$3,600	Free Prescriptions
More than 100% of FPL but less than 135% of FPL: <ul style="list-style-type: none"> • Single: \$817.01-\$1,102.99 • Married: \$1,100.01-\$1,484.99 	<ul style="list-style-type: none"> • Single: \$6,000 - \$10,000⁴ • Married: \$9,000 - \$20,000⁴ 	\$50	\$0 ¹	15% co-insurance for each prescription drug until total drug costs reach \$3,600	\$2 per generic or preferred prescription drug or \$5 per prescription for all other drugs
At or above 135% of FPL but less than 150% of FPL: <ul style="list-style-type: none"> • Single: \$1,103-\$1,224.99 • Married: \$1,485-\$1,649.99 	<ul style="list-style-type: none"> • Single: ≤ \$10,000⁴ • Married: ≤ \$20,000⁴ 	\$50	Based on beneficiary's income: <ul style="list-style-type: none"> • = 135% of FPL, get 100% of the premium subsidy amount • > 135% of FPL but ≤ 140% of FPL, get 75% of the premium subsidy amount • > 140% of FPL but ≤ 145% of FPL, get 50% of the premium subsidy amount • > 145% of FPL but < 150% of FPL, get 25% of the premium subsidy amount 	15% co-insurance for each prescription drug until total drug costs reach \$3,600	\$2 per generic or preferred prescription drug or \$5 per prescription for all other drugs

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Table Notes

FPL = Federal Poverty Level. In 2006, 100% of the FPL is \$9,800 for an individual (or \$817 per month) and \$13,200 for a married couple (or \$1,100 per month) in the 48 contiguous states and the District of Columbia.

*The Medicare Savings Programs include Qualified Medicare Beneficiaries (QMBs), Specified Low-Income Beneficiaries (SLMBs), and Qualifying Individuals (QIs).

**Some states use Medicaid financial eligibility criteria that are more restrictive than those used for SSI. In those states, SSI recipients do not automatically receive Medicaid. In these and some additional states, SSI recipients are required to fill out a separate Medicaid application with the State Medicaid Agency to receive Medicaid benefits.

¹ Beneficiaries in this group receive the maximum premium subsidy amount. This amount is calculated for each region and is based upon plan cost and availability in the region. Beneficiaries enrolled in a standard plan that charges a higher monthly premium than the maximum subsidy amount must pay the difference themselves without any help from Medicare. They must pay out-of-pocket for the enhanced portion of the plan premium, or the difference between the total plan premium and the portion of the premium the plan attributes to the standard plan benefit.

² Total out-of-pocket drug costs include amounts paid by the low-income subsidy and true out-of-pocket (TrOOP) costs paid by the beneficiary. TrOOP costs include amounts paid by the beneficiary, friends, relatives, certain charities, and qualified State Pharmacy Assistance Programs (SPAPs) toward the annual plan deductible, co-payments or co-insurance amounts. Catastrophic coverage begins once the extra help and the beneficiaries TrOOP costs reach \$3,600 and the Part D plan has spent \$1,500 for a total of \$5,100 on drugs covered by the Part D plan. These TrOOP costs will be indexed effective January 1, 2007.

³ In determining eligibility for the Medicare Savings Programs, some states disregard certain income and resources and some states do not use a resource test.

⁴ These asset levels remain in effect until January 1, 2007.