

Medicare Drug Coverage: Extra Help for Low-Income Beneficiaries (2008)

ELIGIBILITY GROUP		COST-SHARING			
Monthly Income Limit	Resource Limit	Annual Deductible	Monthly Premium	Costs Until TrOOP Totals \$4,050 ²	Catastrophic Benefit After TrOOP Totals \$4,050 ²
Deemed Eligible for Extra Help: Medicare and Medicaid*, Medicare Savings Programs**, and SSI-only					
Full dual-eligible beneficiaries with income less than 100% FPL: <ul style="list-style-type: none"> • Single: ≤ \$866.67 • Married: ≤ \$1,166.67 	Resource limits differ by state. Check with your state Medicaid agency.	\$0	\$0 ¹	\$1.05 for generic and preferred brand drugs or \$3.10 for all other drugs	\$0
All deemed beneficiaries with income between 100% and 135% FPL: <ul style="list-style-type: none"> • Single: \$866.68 to \$1,170 • Married: \$1,166.68 to \$1,575 	Resource limits differ by state. Check with your state Medicaid agency.	\$0	\$0 ¹	\$2.25 for generic and preferred brand drugs or \$5.60 for all other drugs	\$0
Must Apply for Extra Help: Other Low-Income Beneficiaries					
Below 135% FPL: <ul style="list-style-type: none"> • Single: ≤ \$1,170 • Married: ≤ \$1,575 	<ul style="list-style-type: none"> • Single: < \$7,790³ • Married: < \$12,440³ 	\$0	\$0 ¹	\$2.25 for generic and preferred brand drugs or \$5.60 for all other drugs	\$0
Below 135% FPL: <ul style="list-style-type: none"> • Single: ≤ \$1,170 • Married: ≤ \$1,575 	<ul style="list-style-type: none"> • Single: \$7,790 - \$11,990³ • Married: \$12,440 - \$23,970³ 	\$56	\$0 ¹	15% co-insurance	\$2.25 for generic and preferred brand drugs or \$5.60 for all other drugs
Between 135% and 150% FPL: <ul style="list-style-type: none"> • Single: 1,170 to \$1,300 • Married: \$1,575 to \$1,750 	<ul style="list-style-type: none"> • Single: \$7,790 - \$11,990³ • Married: \$12,440 - \$23,970³ 	\$56	Premium based on income: <ul style="list-style-type: none"> • 135% to 140% FPL - 25% of the monthly premium • 140% to 145% FPL - 50% of the monthly premium • 145% to 150% FPL - 75% of the monthly premium 	15% co-insurance	\$2.25 for generic and preferred brand drugs or \$5.60 for all other drugs

Notes

FPL = Federal Poverty Level. In 2008, 100% of the FPL is \$10,400 for an individual (or \$866.67 per month) and \$14,000 for a married couple (or \$1,166.67 per month) in the 48 contiguous states and the District of Columbia. Income limits are higher in Alaska and Hawaii and for beneficiaries living with dependents. Federal Poverty Guidelines for 2008 are located at: <http://www.hapnetwork.org/medicaid/fpl-2008.html>.

Deemed eligible beneficiaries do not need to apply for Extra Help. State Medicaid offices send a monthly file to CMS containing information about beneficiaries in all of the deemed eligible groups—including dual eligible beneficiaries, Medicare beneficiaries with a Medicare Savings Program, and SSI-only beneficiaries.

Footnotes

* This group is also called full dual eligible beneficiaries.

** This group includes Qualified Medicare Beneficiaries (QMB), Specified Low-Income Beneficiaries (SLMB), and Qualifying Individuals (QI).

¹ Beneficiaries in this group receive the maximum premium subsidy amount. Beneficiaries enrolled in a plan that charges a higher monthly premium than the maximum subsidy amount (or in an enhanced Medicare drug plan) must pay the difference in cost with no help from the low-income subsidy.

² Total out-of-pocket drug costs include amounts paid by the extra help (or 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, qualified State Pharmacy Assistance Programs (SPAPs), and the low-income subsidy toward the annual plan deductible, co-payments or co-insurance amounts. Catastrophic coverage begins once the beneficiary's TrOOP reaches \$4,050 on drugs covered by the Medicare drug plan.

³ These resource limits include \$1,500 per person for burial expenses.