

# THE MEDICARE LOW-INCOME SUBSIDIES

**WHAT THEY ARE:** The Medicare low-income subsidies are a set of federally and state funded programs that help make Medicare more affordable for low-income Medicare recipients. These programs include the Medicare Savings Programs (MSPs), and the Medicare Part D Low-Income Subsidy/Extra Help program (often referred to either LIS or Extra Help).

*For information on how to apply, see next page.*

## UNDERSTANDING MSPs

MSPs are a set of 4 programs run by the state Medicaid agencies that can help low-income Medicare recipients save on Medicare costs. MSPs include the Qualified Disabled Working Individual (QDWI), Qualifying Individual (QI), Specified Low-Income Medicare Beneficiary (SLMB), and Qualified Medicare Beneficiary (QMB) programs.

**HOW THEY WORK:** Individuals must have Medicare Part A and must fall into the income and asset guidelines in their state to qualify for an MSP (see charts below).

The QDWI program applies to working people with disabilities.

Program	Program Details	Monthly Income Limits*		Asset Limits*		Pays for:
		Single	Married	Single	Married	
<b>QDWI</b>	Open to working people with disabilities who lose their Social Security Disability Insurance (SSDI) benefit and lose premium-free Part A. Not for those who have Medicaid.	\$4,339**	\$5,833**	\$4,000	\$6,000	Part A premium

\*Limits vary by state and are updated annually.

\*\* Income amounts reflect threshold with the \$20 monthly income disregard and other earned income disregards.

The QI and SLMB programs cover the cost of the part B monthly premium for low-income Medicare recipients.

Program	Program Details	Monthly Income Limits*		Asset Limits*		Pays for:
		Single	Married	Single	Married	
<b>QI</b>	Not for those who have Medicaid. Enrollment is limited.	\$1,456**	\$1,960**	\$7,860	\$11,800	Part B premium
<b>SLMB</b>	Open to those who have Medicaid.	\$1,296**	\$1,744**	\$7,860	\$11,800	Part B premium

\*Limits vary by state and are updated annually.

\*\* Income amounts reflect threshold with the \$20 monthly income disregard.

Program	Program Details	Monthly Income Limits*		Asset Limits*		Pays for:
		Single	Married	Single	Married	
<b>QMB</b>	Open to those who have Medicaid. Doctor must accept Medicare and Medicaid for cost of care to be covered.	\$1,084**	\$1,457**	\$7,860	\$11,800	Part A/B premiums, deductibles, co-pays and coinsurance

\*Limits vary by state and are updated annually.

\*\* Income amounts reflect threshold with the \$20 monthly income disregard.

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## UNDERSTANDING LIS / EXTRA HELP

LIS or Extra Help is a program run by the Social Security Administration that helps low-income Medicare recipients save on Medicare Part D prescription drug costs.

**HOW THEY WORK:** Individuals must fall into the federal income and asset limits (see chart below). Individuals who receive Extra Help must sign up for a Medicare Part D prescription drug plan or a Medicare Advantage plan with prescription drug coverage.

Medicare pays for the full monthly premium if an individual signs up for one of the stand-alone Prescription Drug Plans that offer the standard Part D benefit, referred to as low-income benchmark plans. People who are dual-eligible (on both Medicaid and Medicare), receive Supplemental Security Income (SSI), or have an MSP are automatically signed up for the Extra Help program.

Level of Coverage	Monthly Income Limits*		Asset Limits*		Benefits:
	Single	Married	Single	Married	
<b>Full LIS</b>	\$1,456**	\$1,960**	\$9,360***	\$14,800***	Premium/deductible: \$0; co-pays: \$3.60 generic, \$8.95 brand-name; no co-pay after reaching \$6,350 out-of-pocket threshold
<b>Partial LIS</b>	\$1,615**	\$2,175**	\$14,610***	\$29,160***	Premium: income-based; deductible: \$89 or the plan's standard deductible; co-pays: 15% coinsurance or plan co-pay, after reaching \$6,350 in out-of-pocket drug costs, \$3.60 generic and \$8.95 brand-name or 5% of drug cost (whichever is greater)

\*Limits vary by state and are updated annually.

\*\*Income amounts reflect threshold with \$20 monthly income disregard.

\*\*\*Amounts include a \$1,500 per person disregard for burial expenses.

### HOW TO APPLY:

Interested persons may apply for an MSP at their local Medicaid office.

For Extra Help, individuals can apply online or at their local Social Security office.

More information and assistance available at:

- State Health Insurance Assistance Program (SHIP): [www.shiptacenter.org](http://www.shiptacenter.org)
- Medicare Rights Center: [www.medicarerights.org](http://www.medicarerights.org); (800) 333-4114
- NCOA Center for Benefits Access: [www.centerforbenefits.org](http://www.centerforbenefits.org); [centerforbenefits@ncoa.org](mailto:centerforbenefits@ncoa.org)
- [www.medicare.gov](http://www.medicare.gov)