

THOUSANDS OF PEOPLE ON MEDICARE PART D IN CT ARE ELIGIBLE FOR ASSISTANCE BUT HAVE NOT APPLIED

What is the Low-Income Subsidy?

The Low-Income Subsidy, also known as “Extra Help,” provides financial assistance for some Medicare Part D beneficiaries who have limited income and resources. Those who are eligible for this low-income subsidy will get help paying for 75% or more of their monthly premium, yearly deductible, prescription coinsurance and copayments and no gap in coverage. The Centers for Medicare and Medicaid Services (CMS) encourages all Medicare Part D beneficiaries to apply for the Low-Income Subsidy, which in 2009 is estimated to be worth \$3,923 at the pharmacy and as much as \$298 in annual premiums. The Low-Income Subsidy can be critical for persons with mental illnesses who struggle to pay their Medicare Part D premiums and purchase needed medications.

Why does the Low-Income Subsidy matter to Medicare Part D beneficiaries with mental illnesses?

Best treatment guidelines for mental health conditions require that patients have access to a wide array of available medications. Significant scientific and clinical evidence demonstrates that mental health medications are not generally interchangeable. Many drugs, even those within the same class, target different areas or chemicals in the brain and individual responses to medications may differ greatly and a drug’s effectiveness and side effects hang on many factors, including the patient’s race, ethnicity, gender, and other illnesses and medications. Because psychiatric drugs have unique and individualized effects on a person’s health, the Low-Income Subsidy can be critical for those who are struggling to pay for their prescriptions, and can provide significant help in assuring that individuals have access to the specific medications recommended by their physicians. It is dangerous to the patient’s health when psychiatric drugs are disrupted or discontinued, and is also costly to public health systems.

Who is eligible to receive the Low-Income Subsidy?

Some people are automatically eligible for the low-income subsidy. Those include people who are: full benefit dual eligibles (on Medicare and Medicaid); Supplemental Security Income (SSI) recipients with Medicare; and Medicare Savings Programs participants.

Some people must apply through the Social Security administration (SSA) to become eligible for the subsidy. Individuals who make less than \$15,600 and married couples who make less than \$21,000 may qualify for the subsidy, and if you support other family members or live in Alaska or Hawaii, this income limit may be higher. Eligibility also depends on an applicant’s resources, including bank accounts, stock and bonds—NOT your house or car. Individuals should have resources less than \$11,990 and married couples should have resources less than \$23,970 to qualify.

Generally, those eligible for the low-income subsidy pay no Part D plan premiums or deductibles, but pay \$1.10 or \$2.40 for generic drugs and \$3.20 or \$6.00 for brand-name drugs, depending on their income.

Connecticut’s Department of Social Services (DSS) estimates that ***there are approximately 13,000 CT residents that are eligible for the low-income subsidy who are not currently receiving any “Extra Help.”*** DSS wants to raise awareness of the Low-Income Subsidy in the mental health community, because access to medications for this population is so important, and for some access can be a life or death issue.

How can I apply for the Low-Income Subsidy?

People who are not automatically eligible have to fill out an application and send it to SSA or apply on-line at www.socialsecurity.gov.

You can obtain applications from SSA by:

- Calling (800) 772.1213 or (TTY) (800) 325.0778
- Going to your nearest Social Security Office

For further information, please contact Amy O'Connor at policyassistant@namict.org or at (800) 215.3021.