

Medicare Part D: Extra Help for Low-Income Beneficiaries in Long-Term Care Facilities' in Iowa (2006)*

		MEDICARE PART D: LOW-INCOME BENEFICIARY COST-SHARING			
ELIGIBILITY FOR THE EXTRA HELP	<i>Annual Deductible</i>	<i>Monthly Premium</i>	<i>Co-Pays Until Out-of-Pocket Costs (including the Extra Help) Total \$3,600³</i>	<i>Catastrophic Benefit After Out-of-Pocket Costs (including the Extra Help) Reach \$3,600</i>	
Full Dual-Eligibles: Entitled to Medicare and Full Medical Assistance Benefits	\$0	\$0 ²	None	Free prescriptions	
Medicare Savings Program Enrollees** and SSI Recipients Not Automatically Given Medical Assistance	\$0	\$0 ²	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$3,600	Free prescriptions	
Other Low-Income Medicare Beneficiaries					
<i>Maximum Monthly Income</i>	<i>Maximum Resources</i>				
<ul style="list-style-type: none"> • Single: \$675.01-\$1,076.99 • Married: \$1,330.01-\$1,443.99 	<ul style="list-style-type: none"> • Single: < \$6,000 • Married: < \$9,000 	\$0	\$0 ²	\$2 per generic or preferred brand drug or \$5 per prescription for all other drugs until total drug costs reach \$3,600	Free Prescriptions
<ul style="list-style-type: none"> • Single: \$675.01-\$1,076.99 • Married: \$1,330.01-\$1,443.99 	<ul style="list-style-type: none"> • Single: \$6,000 - \$10,000 • Married: \$9,000 - \$20,000 	\$50	\$0 ²	15% co-insurance for each prescription drug until total drug costs reach \$3,600	\$2 per generic or preferred brand prescription drug or \$5 per prescription for all other drugs
<ul style="list-style-type: none"> • Single: \$1,077-\$1,196.99 • Married: \$1,444-\$1,603.99 	<ul style="list-style-type: none"> • Single: ≤ \$10,000 • Married: ≤ \$20,000 	\$50	Based on beneficiary's income: <ul style="list-style-type: none"> • > 135% of FPL but ≤ 140% of FPL, get 75% of the premium subsidy amount⁴ • > 140% of FPL but ≤ 145% of FPL, get 50% of the premium subsidy amount⁴ • > 145% of FPL but < 150% of FPL, get 25% of the premium subsidy amount⁴ 	15% co-pay for each prescription drug until total drug costs reach \$3,600	\$2 per generic or preferred brand prescription drug or \$5 per prescription for all other drugs

(See Table Notes on back)

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Table Notes

FPL = Federal Poverty Level. In 2005, 100% of the FPL is \$9,570 for an individual (or \$798 per month) and \$12,830 for a married couple (or \$1,070 per month) in the 48 contiguous states and the District of Columbia.

** Extra financial help paying the costs charged by Medicare Part plans, such as a monthly premium, an annual deductible, and co-pays, is available to beneficiaries with limited income and resources.

***Includes Qualified Medicare Beneficiaries (QMBs), Specified Low-Income Beneficiaries (SLMBs), and Qualifying Individuals (QIs).

¹ For the purpose of the Medicare prescription drug benefit, long-term care facilities are: nursing facilities, skilled nursing facilities, intermediate care facilities for mentally retarded (ICF/MR), and inpatient psychiatric hospitals that receive Medicare or Medical Assistance payments.

² Beneficiaries in this group receive the maximum premium subsidy amount. This is equal to the average premium charged by most plans in their region. Beneficiaries enrolled in a plan that charges a higher monthly premium than the maximum subsidy amount must pay the difference themselves without any help from Medicare.

³ 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, and certain charities 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.

⁴ The premium subsidy amount will be equal to the average premium charged by most plans in the region in which the beneficiary resides.