Help Paying for Your Medicare Costs

A quick guide to assistance programs for people with Medicare

This booklet was last revised June 2013. For updates, please call Community Health Advocates at 1-888-614-5400.
Medicare is the federal government program that gives you health care coverage (health insurance) if you are **65 or older, or under 65 and have a disability**. People of all income levels qualify for Medicare.

Medicare provides health and prescription drug coverage. There are costs associated with all parts of Medicare. Most people with Medicare must pay monthly premiums to retain it, as well as pay co-pays or co-insurance and deductibles for most medical services and prescription drugs. For people with limited incomes, these costs can create barriers to care.

There are programs available to people with limited incomes that help pay for Medicare. Each program assists with different costs and has different eligibility criteria. This pamphlet provides information about five of these programs:

- Medicare Savings Programs (MSP)
- Medicaid
- Extra Help (Low-Income Subsidy or LIS)
- Elderly Pharmaceutical Insurance Coverage (EPIC)
- New York Prescription Saver Card (NYPSC)
Medicare Savings Programs (MSP) help people with limited incomes pay for some Medicare costs. There are three common MSPs. Each program helps with different costs and has different income limits to qualify. The income limits can change on a yearly basis. To ensure that you are eligible, call the New York State Department of health or the CHA Helpline.

- **QMB (Qualified Medicare Beneficiary)**
- **SLMB (Specified Low-Income Medicare Beneficiary)**
- **QI (Qualified Individual)**

**QMB pays for:**
- Your monthly Medicare Part B premium ($104.90 for 2013)
- The monthly Medicare Part A premium (up to $441 for 2013) for people who do not qualify for premium-free Part A
- Co-pays and co-insurance for Medicare-covered medical services
- Deductibles for Medicare-covered medical services

Note: You can have both QMB and Medicaid.

**SLMB and QI pay for:**
- Your monthly Medicare Part B premium

Note: You cannot have both Medicaid and QI.

**To qualify for SLMB:**
Your income must be between 100%-120% FPL: $1,169/month for an individual and $1,571/month for a couple in 2013.

**To qualify for QI:**
Your income must be between 120%-135% FPL: $1,313/month for an individual and $1,765/month for a couple in 2013.

In New York State, there is no asset test for MSPs; as long as your income meets state guidelines, you can qualify. Even if your income is higher than the figures above, you may still be eligible for an MSP as there are several income disregards. People who qualify for QMB, SLMB and QI automatically receive “Extra Help”—the federal program that helps pay for prescription drug coverage under the Medicare Part D drug benefit.

**How to apply for an MSP**
To apply for QMB, SLMB or QI, fill out an application at your local Medicaid office or contact Community Health Advocates at 888-614-5400 for the nearest organization that can help you determine your eligibility, and/or fill out and submit your application.
Medicaid

Medicaid is a federally funded, state administered program for low-income individuals who cannot afford to pay for medical care. People can have both Medicare and Medicaid at the same time. These individuals are called “dual eligibles”. For those who have for both Medicare and Medicaid, Medicare is the primary insurance, and Medicaid pays secondary. Primary insurance is the one that pays first on a claim, and secondary insurance pays only after the primary insurance.

Medicaid pays the following Medicare costs:

- Co-pays and co-insurances for medical care
- Deductibles

Depending on which Medicaid program you qualify for, Medicaid may cover non-Medicare services such as extended long-term care (at-home or nursing home care), routine dental services, some prescription drugs not covered by Medicare, and transportation to and from doctors’ appointments. In most cases, dual eligibles must be enrolled in a Part D plan and will automatically receive Extra Help.

How to apply for Medicaid

To apply for Medicaid, you can fill out an application at your local Medicaid office. You can also call CHA at 1-888-614-5400 for the nearest organization that can help you fill out an application.

Medicaid has special budget considerations to determine eligibility for individuals who are over 65 years or who have disabilities. If your income is a little above the Medicaid income limit, you may still be eligible. Medicaid “spend-down” lets you subtract your health care costs from your monthly income before your eligibility is assessed.

The income limit for Medicaid in 2013 for applicants more than 65 years old or applicants with a disability is $820 per month for an individual and $1,195 per month for a couple. The asset limit for Medicaid in 2013 is $14,400 for an individual and $21,150 for a couple. Keep in mind that there are special budgeting rules, so you may still be eligible even if your income and/or assets are above these limits.
Extra Help, also known as the Low-Income Subsidy (LIS) program, is a federal program that helps people with low incomes pay for most or all of the costs of Medicare prescription drug coverage (Part D). The income limits can change on a yearly basis. To ensure that you are eligible, call the New York State Department of Health or the CHA Helpline.

**Extra Help pays for:**
- All or part of your monthly Part D premium,
- All or part of your yearly Part D deductible and
- Most of the cost of your Part D plan-covered drugs. If you have Extra Help, you will not have a coverage gap, or “donut hole.” (With Extra Help, your co-payment for Part D-covered drugs can be as low as $1.10.)

**To qualify for Extra Help, you must have:**
- A monthly income below $1,436/month for individuals and $1,939/month for couples; and
- Assets below $13,300 for individuals and $26,580 for couples.

**How to apply for Extra Help (Outside of the MSP)**

There are a few ways to apply. The fastest way is to apply through the Social Security Administration’s (SSA) website, www.ssa.gov/prescriptionhelp. You can also apply for Extra Help over the phone by calling SSA at 1-800-772-1213. If you prefer, you can obtain a paper application from SSA.

You can also call CHA at 1-888-614-5400 to find the nearest organization that can help you fill out and submit an application. People who qualify for both Medicaid and/or the MSPs (see page 2) automatically receive Extra Help without having to apply.
EPIC is the New York State prescription drug assistance program that helps people with Medicare who are 65 or older pay for their prescription drug costs. People with Medicare and EPIC must sign up for a Medicare prescription drug plan (Part D). The income limits can change on a yearly basis. To ensure that you are eligible, call the New York State Department of health or the CHA Helpline.

To be eligible for EPIC:
• You must be a New York State resident.
• All seniors must have Medicare part D to receive EPIC benefits.
• Annual household income must be below $35,000 for individuals and $50,000 for couples.
• 65 or older
• There is no asset test for EPIC.

How to Apply for EPIC
To request an application for this program, call EPIC at 1-800-332-3742 or call CHA at 1-888-614-5400 to find the nearest organization that can help you fill out and submit an EPIC application.

In 2013 many EPIC program benefits will be restored
• EPIC co-payments continue to be $3, $7, $15, or $20 based on the cost of the drug.
• Providers Medicare Part D drug plan premium assistance for many members.
• Fee and Deductible plans are reinstated.

Fee Plan Members:
• EPIC annual fees range from $8 - $300 based on the previous year’s income, billed quarterly.
• EPIC pays the Part D monthly drug plan premiums up to $43.22 per month in 2013.
• Members will pay EPIC co-payments for medications.
• Those with full Extra Help and Medicare have their fees waived.
• Pay EPIC copayments for Part D and EPIC covered drugs after the

Deductible Plan Members:
• EPIC deductibles range from $530 - $1,715 based on the previous year’s income.
• EPIC pays up to $43.22 for monthly Part D drug plan premiums for members with incomes below $23,000 for an individual or $29,000 for a couple.
• After a member meets their EPIC deductible, they will pay EPIC co-payments for covered drugs. Drug costs in the Part D deductible phase cannot be applied to the EPIC deductible.
The New York State Prescription Saver Card (NYPSC) is a pharmacy discount card that helps New York State residents ages 50-64 pay for their prescription drug costs. NYPSC can lower the cost of your prescriptions by as much as 60% on generics and 30% on brand-name drugs. The income limits can change on a yearly basis. To ensure that you are eligible, call the New York State Department of Health or the CHA Helpline.

People with Medicare and the Prescription Saver Card can get help paying for:

- Prescriptions not covered by their Part D plan
- Prescriptions during the coverage gap or “donut hole”

To be eligible for NYPSC:

- You must be a New York State resident who is either age 50-64 or has a disability as determined by the Social Security Administration.
- Annual household income must be below $35,000 for individuals and $50,000 for couples.
- People with full Medicaid are not eligible, but individuals with a Medicaid spend-down are eligible.
- There is no asset test for this program.

How to Apply for NYPSC

To apply for this program, call NYPSC at 1-800-788-6917 for an application. In addition, you can call CHA at 1-888-614-5400 for the nearest organization that can help you fill out and submit your application.
Many drug companies offer assistance programs for low-income people who cannot afford their generic or brand-name medications.

**Quick facts about these programs:**

- Eligibility rules vary depending on the medication needed
- Some programs help only the uninsured; others may help insured patients
- Some programs only help if the drug is not covered by your plan, but some programs also help with co-pays (if the drug is covered)
- Most programs have income limits
- Many drugs are only made by one or two companies, but you may need to apply for a different program for each of the medications you need
- Note: While a number of these programs do not accept individuals with Medicare or Medicaid, some will. Others may be persuaded to make a per-person exception.

A Prescription Assistance Program can also help people with Medicare pay for:

- Prescriptions not covered by their Part D plan
- Prescriptions during the coverage gap or “donut hole”
- Prescriptions covered by their Part D plans but with unaffordable co-pays

**How to Apply for Prescription Assistance Programs**

To apply for a Prescription Assistance Program, start by looking up the name of your drug on www.NeedyMeds.org. This website has lists of programs for each medication, as well as blank applications and contact information. You can also call CHA at 1-888-614-5400 for assistance finding a program that is right for you.
If none of the programs listed above helps you find affordable medications, then you may want to consider some of the following options:

- Ask your doctor about generic drugs. Generic drugs are generally cheaper than brand-name drugs. They will also slow the time it takes to enter the donut-hole.

- Ask your doctor if you can switch to a similar medication that is more affordable. Some less expensive medicines can substitute for more expensive ones, even if they are not generic equivalents.

- Ask your doctor for samples. This strategy is best when you do not expect to need help paying for the drug for a long period of time.

- Ask your Part D plan for a “formulary exception.” If your medication is not covered by your Part D plan’s formulary, you still may be able to get them to cover the drug. You will need to be able to prove that it is medically necessary for you to take the specific drug you are taking instead of the similar options that are on your plan’s formulary. You can only ask for a formulary exception for Medicare-covered drugs. Certain drugs such as most prescription vitamins and fertility drugs are not covered by Medicare.

- Ask your Part D plan for a “tier-exception.” If your Medicare Part D plan is covering your drug (on the plan’s formulary), but your copay is high, it may be because the drug is on a high cost tier. Talk to your pharmacist or Part D plan to find out why your copays are high. If your plan is charging you a high co-pay, you may be able to get them to reduce it. You will need to be able to prove that it is medically necessary for you to take the drug you are taking instead of the other lower cost options on your plan's formulary.

You can always call CHA at 1-888-614-5400 for assistance
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Community Health Advocates (CHA) is an innovative resource that helps New Yorkers navigate the complex health insurance system. The CHA network is made up of 30 community-based organizations. Since 2000, CHA has provided one-on-one counseling and community trainings about health insurance and access to health care. Consumers get help in their communities whether they are privately insured, publicly insured, or uninsured. The program is coordinated by the Community Service Society (CSS) and is funded under the New York State Exchange grant.

For more information or assistance, contact the CHA helpline at 1-888-614-5400 or visit www.communityhealthadvocates.org