What You Should Know About The Medicare Prescription Drug Plans

# Qualify For Extra Help And Pay No Penalty In 2008

2008

**We have good news. You still can sign up for a Medicare prescription drug plan and pay no penalty in 2008 if you qualify for extra help.** Once you qualify, you can select the Medicare prescription plan of your choice. If you do not select a plan, the Centers for Medicare & Medicaid Services will do it for you.

And most important, the extra help pays for all or most of your monthly premiums and annual deductibles and lowers your prescription co-payments. The extra help could be worth up to $3,600 per year. You may be eligible for the extra help if you are on Medicare and have limited income and resources.

## What are the income and resources limits?

- If your annual income is below $15,600 for an individual ($21,000 for a married couple living together), you may not have to pay monthly premiums or deductibles, and you could pay as little as $2.25 for your co-payments.

  Even if your annual income is higher, you still may be able to get some help with your monthly premiums, annual deductibles and prescription co-payments. For example, your income may be higher and you possibly could get extra help if you or your spouse:

  —Support other family members who live with you;

  —Have earnings from work; or

  —Live in Alaska or Hawaii.

- To qualify, your resources must be limited to $11,990 for an individual ($23,970 for a married couple living together). Resources include such things as bank accounts, stocks and bonds. We **do not** count your house and car as resources.

## What should I do next?

If you are not getting the extra help automatically, it is easy to apply. Just complete Social Security's *Application for Help with Medicare Prescription Drug Plan Costs* (SSA-1020). Here's how:

- Apply online at ***www.socialsecurity.gov***;
- Call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**) to apply over the phone or to request that an application be mailed to you; or
- Apply at your local Social Security office.

After you apply, Social Security will review your application and send you a letter to let you know if you qualify for the extra help. If you are eligible for the extra help, you can enroll in a plan until December 31, 2008, and you will not pay a penalty. The sooner you join a plan the sooner you begin receiving benefits.

If you are not eligible for the extra help, you still may be able to enroll in a Medicare prescription drug plan. For information about enrollment periods visit ***www.medicare.gov*** or call the Center for Medicare & Medicaid Services at **1-800-MEDICARE** (**1-800-633-4227**; TTY **1-877-486-2048**).

For more information about getting extra help with your Medicare prescription drug plan costs, visit ***www.socialsecurity.gov*** or call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**). Social Security representatives are available to help you complete your application.

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## How can Social Security help me with the Medicare prescription drug plans?

- Social Security **can help you apply for extra help** paying for your Medicare prescription drug plan costs if you have limited income and resources.
- Social Security **can provide information about the organizations that are available in your community** to help you make choices about enrolling in a plan.

## How can I get help to make a decision about enrolling in a specific prescription drug plan?

- Visit ***www.medicare.gov*** on the Internet and use the following tools:

  —**Compare Medicare prescription drug plans**—By entering personalized information, you can find and compare the prescription drug plans in your state that meet your personal needs and enroll in the prescription drug plan that you select.

  —**Formulary Finder**—By entering personalized information about the specific medications you take, you can get information to help you find the plans in your state that match your prescription drug needs.

- Call **1-800-MEDICARE** (**1-800-633-4227**; TTY **1-877-486-2048**) to learn more about the Medicare prescription drug plans and special enrollment periods. Medicare can tell you about agencies in your area that can help you with Medicare prescription drug plans.

## What factors should I consider when comparing Medicare drug plan choices?

- **Coverage**—Medicare drug plans will cover generic and brand-name drugs. Most plans will have a formulary, which is a list of drugs covered by the plan. The drugs covered by the plans can change, but the list must always meet Medicare's requirements.
- **Cost**—Monthly premiums and your share of the cost of your prescriptions will vary depending on which plan you choose. If you are eligible for extra help with these costs because you have limited income and resources, you will get help with some or all of these costs.
- **Convenience**—Drug plans must contract with pharmacies in your area. Check with the plan to make sure the pharmacies in the plan are convenient to you.

## How can I join a Medicare prescription drug plan?

- **By paper application**—Contact the company offering the drug plan you choose and ask for an application. Once you fill out the form, mail or fax it back to the company.
- **On the plan's website**—Visit the drug plan company's website. You may be able to join online.
- **On Medicare's website**—Join a drug plan at ***www.medicare.gov*** on the web using Medicare's online enrollment center.
- **By calling 1-800-MEDICARE**—Call **1-800-MEDICARE** (**1-800-633-4227**; TTY **1-877-486-2048**) and talk to a Medicare customer service representative.



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