



ElderCare Q&A

New "Twist" in Medicare *Extra Help*

Q: Are there new rules for Medicare prescription drug assistance?

A: Yes. Under a new law, more Medicare beneficiaries will qualify for *Extra Help* with their Medicare prescription drug plan costs. The *Extra Help* program today helps more than 9 million senior and disabled Americans -- saving them an average of almost \$4,000 a year on their Medicare prescription drug plan costs. Effective January 1, 2010, federal changes to Medicare's *Extra Help* program and *Medicare Savings Programs* (MSP) mean a simplified application process and greater eligibility for these important programs.

To qualify for *Extra Help*, a person must be on Medicare and have limited income and resources. The Social Security Administration enlisted rock-and-roll "Twist" star Chubby Checker to do TV and radio ads about a new 'twist' in the law that will allow hundreds of thousands of Americans to get *Extra Help* financially.

Anyone who has Medicare can get Medicare Part D prescription drug coverage. To qualify for *Extra Help* your *assets* must be limited to \$12,510 for an individual or \$25,010 for a married couple living together. Assets include such things as bank accounts, stocks, and bonds. Your house, your car, personal possessions, burial plots, and burial contracts don't count as assets. Your annual income must be limited to \$16,245 for an individual or \$21,855 for a married couple living together. Your annual *income* can be higher, if you support other family members who live with you, or have earnings from work. If you have Medicare and Supplemental Security Income (SSI) or Medicare and Medicaid you automatically will get the *Extra Help*.

The new Medicare law eases the asset and income limits. It eliminates the cash value of life insurance as a countable asset, and it eliminates from countable income the assistance you get regularly from others to pay for household expenses --- such as food, rent, mortgage, utilities, or property taxes. In addition, when you apply for *Extra Help*, the same application can be used for *Medicare Savings Programs* -- state programs that provide help with other Medicare costs like Part B (doctor's) premiums, deductibles and copayments, and Part A (hospital) premiums, deductibles and copayments.

When you apply for Medicare *Extra Help*, Social Security will automatically send your information to Massachusetts to see if you qualify for the *Medicare Savings Programs*. Seniors with access to the internet can apply for *Extra Help* online at www.socialsecurity.gov, or you can go to www.benefitscheckup.org to begin an *Extra Help* application or learn about other benefits you might be entitled to. You can also call Social Security at 1-800-772-1213 to request an application. An application for *Extra Help* does not enroll you in a Medicare prescription drug plan. You will have to enroll directly with an approved Medicare prescription drug provider for coverage. Once you qualify for *Extra Help*, you can choose a Medicare drug plan. If you don't select a plan, the federal government will do it for you. For information on any of these health-related programs, call the SHINE program in Massachusetts at 1-800-Age-Info and press "3."

People who weren't eligible before for *Extra Help* or *Medicare Savings Programs* now may be eligible for these benefits in 2010 - and the new 'twist' in the law may save you thousands of dollars.