

Medicare Modernization Act

DHS MMA Project

Medicare Prescription Drug Program

Extra Help for People with Limited Income

Background

The Medicare Prescription Drug Improvement and Modernization Act is a federal law creating new prescription drug coverage for people with Medicare. Any person who is eligible for Medicare Part A and/or has Medicare Part B is eligible for this program.

People with Medicare who have limited income and resources may be able to receive extra help in paying out-of-pocket costs involved in the program. This extra help reduces or eliminates premiums, deductibles, and cost sharing for prescription drugs. If a person has Medicare and Medicaid, Supplemental Security Income, or a Medicare Savings Program, then he or she will automatically receive extra help when the Medicare prescription drug program begins on January 1, 2006. Everyone else needs to apply for the extra help.

Applying for help

From May 27, 2005 until August 15, 2005, the Social Security Administration (SSA) will mail out letters and applications for extra help to approximately 264,000 Oregonians who may be eligible for the program.

People who receive these materials should fill out the form and return it to SSA as soon as possible. This form cannot be photocopied because SSA created it to be scanned by computers. People can apply online starting July 1, 2005. SSA will send a letter to people telling them if they are eligible or not for the extra help.

Eligibility basics

- You will probably qualify for extra help if you have income under \$14,355 a year and resources (savings, investments, and real property other than your home) under \$10,000.
- If you are married and living with your spouse, you will probably qualify if you have income under \$19,245 a year and resources under \$20,000.
- Resource limits are higher if you use some of your money for burial expenses; \$1,500 per person is allowed.

Contact

To obtain an application or to receive assistance with the application:

- Contact Social Security at 1-800-772-1213 (TTY 1-800-325-0778) between 7am and 7pm Monday through Friday.
- You can get an application from your local Social Security office or from your Seniors and People with Disabilities or Area Agency on Aging office.
- You can also contact DHS for assistance with the SSA application at 1-877-585-0007 from 8:00–5:30 Monday through Friday.