

Limited-Income Assistance (Subsidy) "Extra Help" Under Part D

Full benefit dual eligibles

- Full benefit dual eligibles are individuals who are entitled to Medicare Part A and/or Part B and are also eligible for outpatient prescription drug benefits through Medicaid.

Groups eligible for low-income subsidies

Three groups have been identified for lower-income assistance (subsidies):

Group 1

- Full benefit dual eligibles with incomes below 100 percent of the Federal poverty level (FPL)

Group 2

- Full benefit dual eligibles and non-dual eligible Medicare beneficiaries with incomes between 100 percent and 135 percent of the FPL, with resource limits of \$8,100 per individual and \$12,910 for a married couple

Group 3

- Medicare beneficiaries with incomes between 135 percent and 150 percent of the FPL, with resource limits of \$12,510 for an individual and \$25,010 for a married couple

2009 Hawaii Federal Poverty Levels (FPLs per DHS) - changes each year in February, see <http://www.aspe.hhs.gov/poverty/>

Individuals	Couples
100% FPL = \$12,460./\$1,038.33 month	100% FPL = \$16,760 / \$1,396.67 month
135% FPL = \$16,821/ \$1,401.75 month	135% FPL = \$22,626 / \$1,885.50 month
150% FPL = \$18,690/ \$1,557.50 month	150% FPL = \$25,140 / \$2,095.00 month

Assistance (subsidy) for each group 2009

Group 1

- ✓ No monthly premium or the deductible under basic plan
- ✓ Co-payments - \$1.10 for generics and \$3.20 for brand-name drugs (SPAP Assistance)

If through paying these nominal co-pays the beneficiary reaches \$4,350 in out-of-pocket costs, they are not responsible for any other co-pays for the rest of the year

Note: Those full benefit dual eligibles in nursing homes will have no cost sharing

Group 2

- ✓ No monthly premium or the deductible under basic plan
- ✓ Co-payments - \$2.40 for generic and \$6.00 for brand-name (SPAP Assistance)

If through paying these nominal co-pays the beneficiary reached \$4,350 in out-of-pocket costs, they are not responsible for any other co-pays for the rest of the year

Group 3

- ✓ Monthly premium based on a sliding scale depending upon income under basic plan
- ✓ Reduced deductible of \$60 per year

Responsible for 15 percent of the cost of prescriptions up to the \$4,350 out-of-pocket maximum (SPAP assistance up to 2.40 for generics and \$6.00 name-brand)

Once maximum reached, co-payments - \$2.40 for generic drugs and \$6.00 for brand-name drugs for the rest of the year

2009

Part D – Medicare Prescription Drug Program Costs to Beneficiary (without extra help)

- About a \$25 monthly premium
- \$295 deductible (each year)
- 25% of drug costs from \$296 to \$2,700
Medicare pays 75%, (so beneficiary pays about \$601.25)
- 100% of drug costs from \$2,700.01 to \$6,153.75
(so beneficiary pays about \$3,453.75 out of pocket)
This is the famous “donut hole” or coverage gap
- After \$4,350 (\$295+\$601.25+\$3,453.75) in beneficiary out of pocket costs, Medicare pays 95% / beneficiary pays 5%