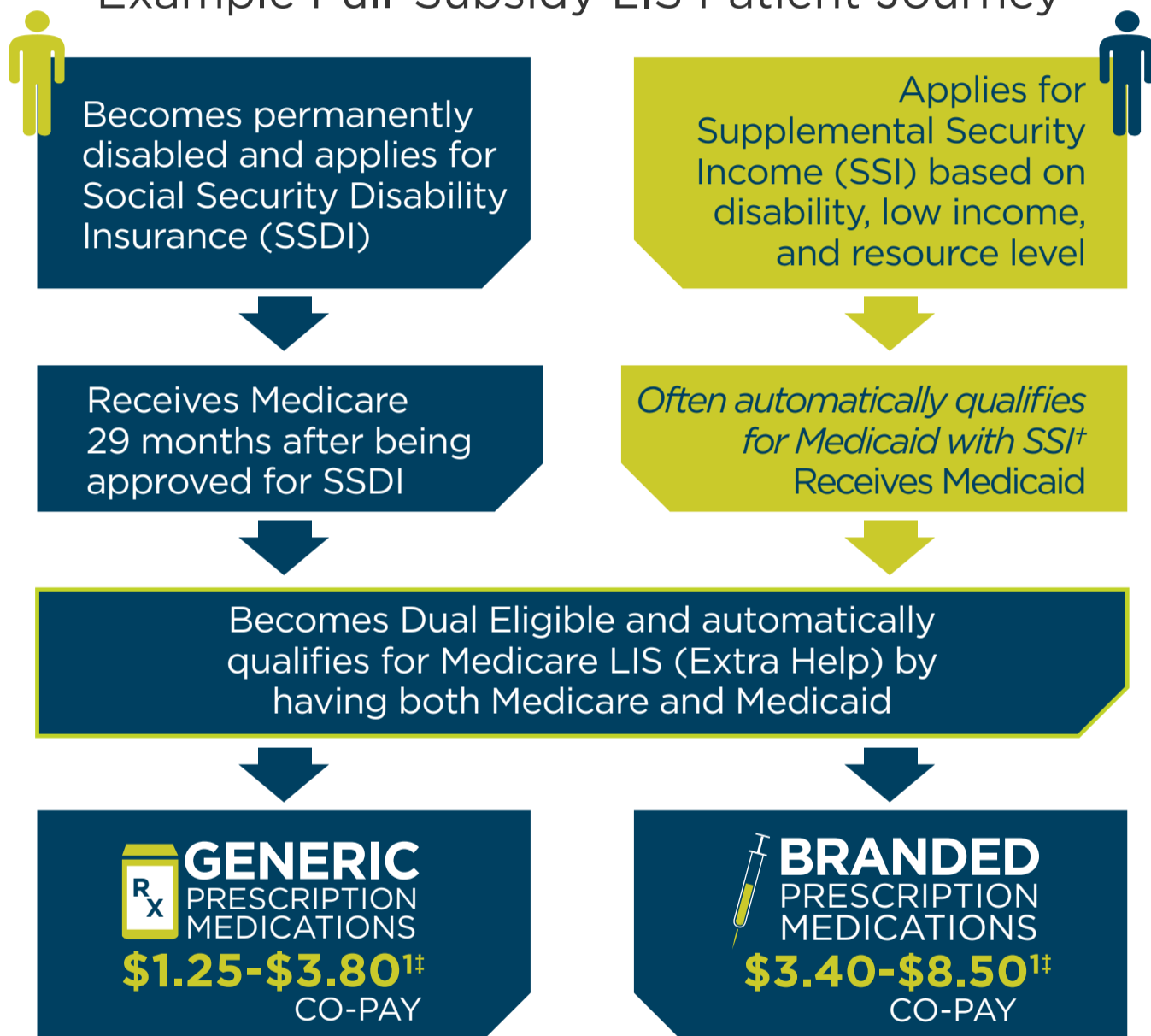


MEDICARE PART D LOW-INCOME SUBSIDY (LIS)

2019 PROGRAM OVERVIEW

Example Full-Subsidy LIS Patient Journey*



* This is for illustrative purposes only and is not intended to represent every patient's journey. A person's work status, age, location, income, resources, and other variables may present certain limitations for LIS eligibility or change the journey. LIS income and resource requirements are outlined in this overview. Patients may also qualify for SSDI after initial Medicaid enrollment.

† Medicaid benefits available to SSI recipients in most states.

‡ Medicare Part D formulary drug.

This is not a guarantee of payment, coverage, or reimbursement. Alkermes does not provide any advice, recommendation, guarantee, or warranty relating to coverage, reimbursement, or coding for any product or service. Healthcare providers are responsible for determining coverage and reimbursement information and ensuring the accuracy and completeness of claim submissions for their patients. Coding, coverage, and reimbursement vary significantly by payer, patient, and setting of care and are subject to change. Additional information may exist. Actual coverage and reimbursement decisions are made by individual payers.

LIS Eligibility

Medicare offers financial assistance, or “Extra Help,” to qualified beneficiaries with limited income or resources. This assistance can reduce out-of-pocket (OOP) costs for eligible patients.

LIS eligibility is based on an individual’s income, asset level, and household size. The Federal Poverty Level (FPL), found here: <https://www.healthcare.gov/glossary/federal-poverty-level-FPL/>, is used to determine income level requirements for the LIS program.

LIS provides enrolled beneficiaries with assistance on Medicare Part D premiums, deductibles, and co-pays.

Quick Fact

In 2017, approximately 12.2 million Part D enrollees (29% of all Part D enrollees) were receiving LIS²

LIS Benefit Level Descriptions³

Full Subsidy—Full Benefit Dual Eligible Patients

- ▶ Beneficiaries are automatically enrolled
- ▶ To qualify, beneficiaries must be receiving Medicare benefits, along with full Medicaid benefits

Full Subsidy—Non-Full Benefit Dual Eligible Patients

- ▶ Beneficiaries receiving Medicare and Supplemental Security Income (SSI) from the Social Security Administration (SSA)
- ▶ Qualified beneficiaries receiving premium assistance via enrollment in the following select Medicare Savings Programs:
 - Qualified Medicare Beneficiary (QMB)
 - Specified Low-Income Medicare Beneficiary (SLMB)
 - Qualifying Individual (QI)
- ▶ Individuals at or below 135% of the FPL also meeting specified resource requirements (by application)

Partial Subsidy Patients

- ▶ Qualified individuals are eligible for Partial Subsidy benefits
- ▶ Subsidies are based on income, and qualifying levels range from 25% to 100%
- ▶ Applications for Partial Subsidy benefits may be filled out at: <https://secure.ssa.gov/i1020/start>

For questions regarding enrollment or current benefits, please contact:

Social Security Administration

1-800-772-1213 (TTY 1-800-325-0778)

Beneficiaries who qualify may also be able to get help from their state with other Medicare costs under the Medicare Savings Programs

**Quick
Fact**

2019 Medicare Part D Low-Income Subsidy—Qualifications and Benefits

	Full Subsidy Patients		Partial Subsidy Patients
	Full Benefit Dual Eligible	Non-Full Benefit Dual Eligible (Includes QMB/SLMB/QI/SSI)	
Qualifying Income Level ⁴	Single: \$12,490 Couple: \$16,910	Single: \$16,862 Couple: \$22,829	Single: \$18,735 Couple: \$25,365
Qualifying Resources/Assets ^{5*}	No resource review	Single: \$9,230 Couple: \$14,600	Single: \$14,390 Couple: \$28,720
Insurance Premium Support ³	100% [†]	100% [†]	25% - 100% (dependent on income)
Prescription Drug Co-pay ¹	\$1.25 - \$3.80 generic \$3.40 - \$8.50 brand	\$3.40 generic \$8.50 brand	15% up to TrOOP [‡] limit of \$5,100
Deductible ¹	\$0	\$0	\$85

* Resources include savings and stocks, but not items such as a home or car. For a list of resources assessed, please visit <https://secure.ssa.gov/apps10/poms.nsf/lnx/0603030025>.

[†] Subsidy equal to 100% of the plan's premium for basic prescription drug coverage or the regional benchmark, also referred to as the low-income premium.

[‡] TrOOP = True Out of Pocket. Payments made by the federal government on behalf of the subsidy-eligible individual count towards the beneficiary's annual out-of-pocket (OOP) threshold. Cost-sharing changes upon reaching the threshold: full subsidy-eligible individual cost sharing is reduced to zero; cost sharing for others is reduced to the corresponding calendar year co-payment amounts.

Patients who qualify for the Low-Income Subsidy benefit have no gap in coverage, also known as the “donut hole”

**Quick
Fact**

Frequently Asked Questions

What benefits may be available to LIS qualified patients?

- Assistance with monthly premiums, reduced or no deductible, no coverage gap or “donut hole,” and a reduced or eliminated co-payment/coinsurance

Can Medicaid patients obtain LIS benefits?

- Yes. If patients qualify for Medicaid and Medicare, they will be automatically enrolled in the Medicare Part D LIS “Extra Help” program

Can dual eligible patients switch plans they are auto-enrolled in?

- Yes. Patients can switch plans once a month. *Note: If a plan’s premium is higher than the auto-enrolled plan, the patient will be responsible for the difference*

Will a patient be notified of a change in eligibility?

- Yes. The Centers for Medicare & Medicaid Services will send a notice each year identifying patients who will have continued coverage or changes in eligibility

Is there an appeals process for patients who have been denied LIS benefits?

- Yes. Patients have 60 days to appeal a denial of benefits. Call Social Security at 1-800-772-1213 (TTY 1-800-325-0778) and ask for an Appeal of Determination for Extra Help with Medicare Prescription Drug Plan Costs (Form SSA-1021).

Additional Resources

Information regarding the “Extra Help” program can be found at:



www.socialsecurity.gov/extrahelp



1-800-772-1213

Information regarding the Medicare Savings Programs, Medicare prescription drug plans, how to enroll in a plan, or to request a copy of the *Medicare & You 2019* handbook can be found at:



www.medicare.gov



1-800-MEDICARE (1-800-633-4227)

Your patient’s State Health Insurance Counseling and Assistance Program (SHIP) may also be utilized to answer questions regarding Medicare. To find your patient’s local SHIP contact information please visit or call:



www.medicare.gov



1-800-MEDICARE (1-800-633-4227)

Additional information regarding the “Extra Help” program can be found at:
<https://www.socialsecurity.gov/medicare/prescriptionhelp/>

References

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2. MedPAC. Report to the Congress: Medicare Payment Policy. http://www.medpac.gov/docs/default-source/reports/mar18_medpac_entirereport_sec.pdf. Accessed March 19, 2019.
3. Centers for Medicare & Medicaid Services. Medicare Prescription Drug Benefit Manual. Chapter 13: Premium and Cost-Sharing Subsidies for Low-Income Individuals. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/Chapter13.pdf>. Accessed March 19, 2019.
4. Department of Health and Human Services; Annual Update of the HHS Poverty Guidelines, FR Doc. 2019-00621. <https://aspe.hhs.gov/poverty-guidelines>. Accessed March 19, 2019.
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