

HOW MEDICARE PART D EXTRA HELP WORKS



Name: Diane

Age: 71

Job: Retired Teacher

Location: San Diego, California

About Diane

Diane is a 71-year-old retired teacher who lives by herself and has an annual income of \$11,500. For several years, Diane has been managing multiple chronic conditions, including diabetes and hypertension. She does this with the help of her Medicare Part D prescription drug coverage.

Diane's Care and Coverage

To manage these conditions, Diane takes a brand name treatment and insulin to manage her diabetes and a generic medicine to manage her hypertension as well as a generic statin for her cholesterol. Diane works with her doctors to ensure she has access to the right medicines and is taking them appropriately to avoid harmful interactions and improve her adherence to her prescribed treatments.

Diane's income qualifies her for additional assistance through Medicare Part D's Extra Help Program, also known as the low-income subsidy (LIS). Because her income level qualifies her for the full benefit (\$16,038 or less in 2016), Diane now gets the extra assistance she needs to afford her medicines and care. This means she pays no more than \$2.95 out of pocket for both her generic hypertension medicine and her cholesterol medicine and \$7.40 for her diabetes medications.

Why Extra Help Matters

With Part D Extra Help, Diane is better equipped to manage her health while avoiding emergency room visits and hospitalizations, helping to keep her out-of-pocket health care costs for other services lower too. Raising her out-of-pocket costs for these needed medicines would negatively impact Diane's health and finances.

| Diane's Medicine | Out-of-pocket cost with Part D Extra Help |
|---------------------------------------|---|
| Generic hypertension medicines | \$2.95 |
| Generic statin (cholesterol medicine) | \$2.95 |
| Brand name diabetes medicine | \$7.40 |
| Insulin | \$7.40 |
| TOTAL | \$20.70 |

About Extra Help

Nearly 12 million Part D beneficiaries like Diane are able to access their medicines thanks to Part D Extra Help, the low-income subsidy that reduces cost sharing for prescriptions and waives or lowers premiums and deductibles. Due to the complexities of their conditions, patients receiving Extra Help are often in poorer health and tend to fill more prescriptions. Further, with eligibility limited to those at or below 150 percent of the poverty level (\$17,820 in 2016), these patients are especially vulnerable to even small increases in cost sharing for needed medicines. Changing this important benefit puts patients at risk by limiting choice and forcing changes in prescribed treatment even if it is not medically appropriate. Keeping the Extra Help program intact for beneficiaries like Diane is important for all seniors.

Learn more at www.pfma.org/PartD