

The *maximum* financial eligibility limits for Extra Help are countable income of about \$1,882.50/month (\$2,555 for couples); and countable resources in the amount of \$17,600 (\$35,130 for couples).

If you qualify for Extra Help, you're able to switch drug plans during each of the first three calendar quarters of the year (once each quarter). This should be done *only* to obtain better coverage of the drugs you need.

### **How Do You Apply For These Benefits?**

Applications for a **Medicare Savings Program** are made online, by mail, or in person, with state Income Support Division Offices. Applications for **Extra Help** are made with Social Security, online ([www.socialsecurity.gov](http://www.socialsecurity.gov)); in person at your local Social Security office; or by phone at 1-800-772-1213. You may also get help with applications from agencies including the NM Aging & Disability Resource Center (1-800-432-2080) and the Benefits Connection Center (1-844-266-2236).

### **Questions about Health Benefits?**

**Call SCLO at (505) 265-2300 or the Aging & Disability Resource Center (ADRC) at 1-800- 432-2080**

Senior Citizens' Law Office, Inc. is funded by the City of Albuquerque Area Agency on Aging, the New Mexico Civil Legal Services Commission, and NM Aging and Long Term Services Department.

**This information is not intended as a substitute for specific legal advice.**

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## ***Got Medicare? Get Help With Costs***



**(Updated Effective 4/1/25)**

### **The Problem of Out-of-Pocket Costs for Medicare Beneficiaries**

Medicare is a critically important source of health care coverage for seniors, but beneficiaries are charged for both the coverage itself (in the form of monthly premiums), and for part of the costs of most care they receive. When they obtain services, they usually have "cost-sharing" charges - deductibles, co-pays, and coinsurance." The total amount of all these charges can be very high.

## What Type of Help is Available?

Some beneficiaries have other health coverage that helps cover some of their Medicare out-of-pocket costs. This flyer highlights *two* types of *public benefits* that provide such help for lower income beneficiaries: the “**Medicare Savings Programs**” (“MSPs”) and “**Extra Help**” (a/k/a “LIS,” the “Low Income Subsidy”).

## What Are the Medicare Savings Programs?

There are four “*Medicare Savings Programs*,” three of which -- commonly referred to by their initials -- are the most widely used: “**QMB**,” “**SLMB**,” and “**QI**.” *These are special, limited, types of Medicaid* coverage that cover all or part of your Medicare premiums and cost sharing, (*but not other services*). QMB covers *all* your Medicare premiums and cost-sharing; SLMB and QI pay *only* for your Medicare “Part B” premiums. However, *eligibility for any of these Medicare Savings Programs automatically qualifies you for the “Extra Help” benefit discussed later in this flyer.*

Here are the countable income limits for these programs (*Resources* eligibility standards were *eliminated* on 1/1/21):

	INCOME*	RESOURCES
<b>QMB</b>		
Individual	\$1,345/month	No Limit
Couple	\$1,803/month	No Limit
<b>SLMB</b>		
Individual	\$1,605/month	No Limit
Couple	\$2,155/month	No Limit
<b>QI</b>		
Individual	\$1,801/month	No Limit
Couple	\$2,420/month	No Limit

\* The first \$20/month of total income is disregarded (not

counted). **These figures include the \$20 disregard.** The amounts increase each April.

## Is All of Your Income Counted in Determining Eligibility?

No, some types of income are not counted. Income that is disregarded *includes*: the first \$20 per month; \$65 plus ½ of monthly earnings; and certain types of income received by Native Americans.

You must also meet all other Medicaid eligibility requirements. If you think you might be eligible, *apply as soon as possible*; don’t wait until you are sick or get hurt. One reason is that *QMB* coverage doesn’t start until the month *after* your application is approved.

## What is “Extra Help”?

Extra Help, also known as the Low Income Subsidy (LIS), provides financial help with your Medicare prescription drug plan costs (Medicare’s drug coverage is available only from private plans). There are different levels of help. Depending on the amount of your countable income and resources, it will cover all or part of your plan’s premium, deductible, coverage gap or “donut hole,” and co-pay costs.

**If you qualify for one of the Medicare Savings Programs, you automatically qualify for Extra Help**, with a high level of help. If your countable income is too high to qualify for a Medicare Savings Program, you may still qualify for Extra Help, but with a lesser amount of help. In addition, some resources *are* counted in determining Extra Help eligibility [but *not*, e.g., your home, a motor vehicle, personal items (e.g., jewelry and household goods), a burial space, and up to \$1,500 per person for burial expenses].