

## **You May be Eligible for Extra Help with Medicare D**

Beginning January 2010, changes in the law will make it easier for some people to qualify for Extra Help with their Medicare prescription drug plan.

There are two provisions under the new law that will change the way you count income and resources. First, insurance policies will not longer count as a resource, which means on the application you will no longer have to list your life insurance policies.

Second, if you receive financial help from someone on a regular basis to help with expenses (mortgage, electric bill, food, property tax, etc.) that money will no longer be counted toward your income.

Here are some examples of how these changes can affect some Medicare recipients.

Example 1. Mary is a widow who lives alone and has a total income of \$1,300 a month from Social Security and a small pension. Her son gives her 200 dollars a month to help with utilities. Her resources are less than the maximum. According to the present guidelines her income would be counted at \$1,500 a month, too high to get extra help since it is over the 2009 income requirement which is \$1,353.75 a month.

Starting in January, 2010, Mary would be able to apply for extra help because the \$200. that her son gives her would no longer be considered as income.

Example 2. Sarah and Bill are married and have a combined income of \$1,800 a month. They would be eligible for extra help according to the 2009 guidelines for income. However, they have \$20, 000 in the bank and \$6,000 worth of life insurance. Since the limit for resources for two people is \$25,010, Sarah and Bill do not qualify for extra help.

In January 2010, however, Sarah and Bill should apply for extra help because the \$6,000 worth of life insurance will not be counted as a resource.

You can apply for extra help in several ways.

1. Call Social Security at 1-800-772-1213 and apply over the phone.
2. Apply at your local Social Security Office
3. Apply online at [www.socialsecurity.gov](http://www.socialsecurity.gov)
4. Call RRCSB/AAA at 540-825-3100 and ask for a senior advocate for your county. They will help you with the application process.

If you think these changes may affect you, you must wait until January 1, 2010 to apply.

There are many people who may be eligible for extra help under the 2009 criteria but have not yet applied. If you are single and making \$1,353.75 or less a month and have resources of \$12,510 or less you may be eligible for extra help this year.

For married individuals to qualify for extra help now the income limits are \$1,821.25 a month or less and resources of \$25,010 or under.

Please remember in counting your income you must count the \$96.40 that Social Security takes out of your check each month for Medicare Part B.

There are many provisions and rules concerning Medicare D, not just the extra help component, which make it difficult to understand. Please do not ignore letters from Social Security or from your Medicare D plan or make decisions because you don't want to bother with it.

The Senior Advocates at RRCSB/AAA are here to help explain and guide you through anything you may not be able to figure out on your own. Please call 540-825-3100 and ask for the advocate for your county. They can explain things over the phone, you can come in for an appointment or in some cases the advocates can make a home visit.

