



Medicare Part D Extra Help

The Medicare Part D Extra Help Program helps Medicare beneficiaries by lowering prescription drug costs, potentially saving them thousands of dollars each year. This program is also called the Low-Income Subsidy or “LIS”.

How to Qualify

- 1. Automatic Enrollment:** Individuals on Medicare who get **any** help from Medicaid automatically qualify for Extra Help. This includes people whose only Medicaid benefit is the Medicare Savings Program that pays their Part B premium. Anyone who automatically qualifies for Extra Help gets a letter on **purple** paper.
- 2. Application Required:** All other Medicare beneficiaries need to apply to the Social Security Administration (SSA) to get Extra Help. Those who do not get any Medicaid benefits must meet income and resource guidelines to qualify for Extra Help.

2026 Eligibility Guidelines for Extra Help

Table 1: 2026 Income and Resource Limits for Extra Help

Household Size	Monthly Income Limit	Resource Limit ¹
1	\$1,995	\$18,090
2	\$2,705	\$36,100

Household size is one (1) if the applicant is not married. If the applicant is married **but** does not live with their spouse, they are a household of one (1). This includes people who are separated, widowed, or otherwise living separately from their spouse (such as when one of

¹ The resource limits listed in this table include the \$1,500 per person disregard that is automatically given to applicants who plan to use their resources for funeral or burial expenses.

the married couple lives in a nursing home). The household size will be two (2) if the applicant is married **and** lives with their spouse.

IMPORTANT: The application asks about the number of relatives who live with the applicant and depend on the applicant for at least half of their financial support. These dependent relatives will count in the applicant's household size, but any income they have is not counted!

Please note that people's income and resources could be higher than the amounts listed in the table above and they could still qualify for Extra Help. This is because SSA does not count all income and/or resources. Call PHLP's Helpline to discuss how this may apply to your situation: 1-800-274-3258.

What income counts?

Applicants must report all their income as requested on the Extra Help application, but some income may not be counted when determining eligibility.

- **Unearned income:** Unearned income includes Social Security benefits, pensions, support payments, interest, dividends and more. It must be reported monthly before any deductions are taken out (such as the Medicare Part B premium, child support, etc.) When determining Extra Help eligibility, SSA will not count the first \$20 per month of unearned income.
- **Earned income:** Earned income includes wages, salaries, and more. This must be reported on a yearly basis with the applicant projecting the gross amount (before taxes or deductions are taken out) they expect to earn that year. If earnings change during the year, then multiply the average monthly income by twelve to project the yearly amount. When determining eligibility, SSA will only count approximately half of the reported projected earnings.

What resources count?

Social Security will ask for information about certain resources owned by an applicant/spouse on the Extra Help application. Some resources are not counted at all. Please note that even if a resource is counted, the entire value of the resource may not count toward the resource limit for Extra Help.

- **SSA will count the following resources:**
 - Any real estate or property that is not the person's primary residence.
 - Liquid resources including: bank accounts (checking, savings, and CDs) investments (stocks and bonds); and retirement accounts (IRAs/401Ks).
- **SSA will not count the following resources:**
 - An applicant's home (if it is the primary residence), cars and other motor vehicles, life insurance, burial plots/spaces, and irrevocable burial accounts.
 - \$1,500 of resources for the applicant (and \$1,500 for their spouse) unless the individual states on the application that they do not plan to use resources to pay for funeral or burial expenses.
 - Liquid resources that cannot be converted to cash within 20 days.

How does Extra Help lower drug costs?

Extra Help lowers what people pay for their drug plan coverage and what people pay when they get their medication. When someone gets approved for Extra Help, Medicare updates its system to show the Extra Help and notifies the person's Medicare drug plan (if they have one). Once all the systems are updated, the individual's Part D plan costs go down.

Table 2: Part D Costs for People Who Get Extra Help in 2026

Premium	<p>\$0 (benchmark plans)</p> <p>For non-benchmark plans, Extra Help will cover up to \$32.71/month toward the monthly premium.</p>
Deductible	\$0
Co-pays for medications	<p>\$0 if getting Medicaid-covered long-term care services in Nursing Home or Waiver program; OR</p> <p>\$1.60 generic/\$4.90 brand-name if getting full Medicaid health coverage and income < 100% FPL; OR</p> <p>\$5.10 generic/\$12.65 brand-name</p>
Catastrophic Coverage	\$0

If someone gets approved for Extra Help and is not already enrolled in a Medicare drug plan, Medicare will auto-enroll them into a benchmark plan. Medicare will send the person a notice about the auto-enrollment on [yellow](#) or [green](#) paper. People can change to a different plan if they want to.

People with Extra Help but no Medicare drug plan (Part D plan) can use a temporary drug plan, called [LINET](#), to get their medications at a lower copay until they enroll into a Medicare drug plan or get auto-enrolled into one by Medicare. Beneficiaries and Pharmacists can contact the LINET help desk at 1-800-783-1307 for more information.

How to Apply for Extra Help

People can apply for Extra Help in one of the following ways:

1. Online at www.ssa.gov/prescriptionhelp
2. By phone with SSA at 1-800-772-1213
3. By mail (must use an **original** paper application, Form SSA-1020)

You are not required to submit proof of information reported on the Extra Help application. If SSA needs documentation to process your application, they will contact you by phone or mail.

Social Security will send a written notice telling applicants if they qualify for Extra Help, when it starts, and how much help they will get. If someone does not agree with the SSA determination, they can appeal. People who have questions about this notice or any other questions about Extra Help eligibility can call PHLP's Helpline at 1-800-274-3258.

People seeking more information about Extra Help, or who need help with the application, can contact Pennsylvania Medicare Education and Decision Insight (PA MEDI) at 1-800-783-7067. PA MEDI is a statewide program operated by the Pennsylvania Department of Aging. All services are free and confidential and delivered by specially trained certified counselors through Pennsylvania's 52 local Area Agencies on Aging.

This publication is intended to provide general legal information, not legal advice. Each person's situation is different. If you have questions about how the law applies to your situation, please consult a lawyer or call PHLP's Helpline at 1-800-274-3258.