

Are Your Clients Missing Out on Enrollment in the Medicare Low-Income Subsidy?

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The Medicare Low-Income Subsidy (LIS), also known as “Extra Help,” helps low-income Medicare enrollees with Part D prescription drug costs. LIS can easily save individuals with costly prescriptions thousands of dollars per year—and LIS became more generous in 2024 for many. Before 2024, LIS enrollees with incomes between 135% and 150% FPL had partial LIS assistance. Now, because of the Inflation Reduction Act, they have full LIS coverage, with access to \$0 premium plans, no deductibles, and lower fixed co-payments.

Despite these major benefits, many people who qualify for LIS have not enrolled. Advocates and counselors can help by talking to their clients about Extra Help and encouraging them to apply.

Six Facts Advocates Should Know About Medicare LIS

1. **People with Medicare can enroll in LIS at any time in the year.** Applications can be completed online at the [Social Security website](#) or in-person at any Social Security office. People newly eligible for LIS have a special enrollment period to enroll in or change their Part D or Medicare Advantage Prescription Drug (MA-PD) plan.
2. **LIS financial eligibility is more generous than Medicaid eligibility in most states**, so it is worth checking if a person qualifies even if they’re not eligible for Medicaid. The LIS application process is also typically less onerous than most Medicaid applications.
3. **LIS coverage lasts until the end of the year, even for those who no longer qualify for Medicaid.** This can be particularly helpful for older adults with a Medicaid share of cost. If they meet their share of cost (also known as spend-down) even once, they qualify for LIS for the rest of the year. If they meet it in July or later, they qualify for LIS for the rest of that year and all of the next year.
4. **People with LIS can change Part D plans and MA-PD plans once each quarter.**¹ This can be helpful for clients who have recently been diagnosed with a chronic condition or who have changed prescriptions and find that the formulary of their current plan does not meet their needs.
5. **People with LIS qualify for a \$10 a month Social Security overpayment plan.** It is not uncommon for clients to owe Social Security for an overpayment of benefits. When this happens, clients often find that a large portion of their Social Security benefit is being deducted to pay back the debt. If your client has LIS, however, the client can request that Social Security take out only \$10 a month.² Social Security is required to automatically honor the request when it is made.

1 This Special Enrollment Period will change in 2025. For more information on time periods for joining a plan, see CMS, [Joining a Plan](#). For more information on how the SEP for LIS enrollees will change in 2025, see Justice in Aging, [Upcoming Changes for Dually Enrolled Individuals: The Final 2025 Medicare Advantage Rule](#).

2 Social Security Administration POMS [Section GN 02210.030\(B\)\(6\)](#).

- 6. LIS is not subject to estate recovery.** Many older adults are concerned that applying for Medicaid may allow states to recoup costs from their estates. LIS is not a Medicaid program and Federal law does not permit states or the federal government to collect money from estates for LIS costs. Medicare Savings Programs (QMB, SLMB and QI), which are Medicaid programs, also are exempt from estate recovery.

Case consultation assistance is available for attorneys and professionals seeking more information to help older adults. Contact NCLER at ConsultNCLER@acl.hhs.gov.

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