

# Extra Help or Low-Income Subsidy Support for Medicare Part D



Medicare Part D coverage helps cover the cost of prescription drugs, including recommended vaccines. People can either enroll in a Part D plan in addition to Original Medicare (Parts A and B), or join a Medicare Advantage (MA) plan that offers Part D coverage.<sup>1</sup>

## Medicare Part D benefits for 2025<sup>1-4</sup>

Although Part D plans may vary in cost and specific drugs covered, Medicare requires that all meet a set level of coverage, also known as the standard benefit.

Most Part D plans charge a monthly fee, called a premium, that can vary depending on the specific plan selected. Typically, a higher premium may offer greater coverage and lower out-of-pocket costs.

Annual Deductible	Initial Coverage	Catastrophic Coverage
<b>You pay up to \$590</b>	<b>You pay up to \$2,000</b>	<b>You pay \$0</b>
<ul style="list-style-type: none"> <li>You pay <b>100%</b> of drug costs until you meet the deductible, at which time your plan begins covering costs</li> <li>Costs may vary depending on your plan and associated cost. For example, some Part D plans don't have any deductible</li> </ul>	<ul style="list-style-type: none"> <li>After you have met your deductible, you pay <b>25%</b> of drug costs (known as a coinsurance or copay) and your plan covers the rest</li> <li>You will continue to share drug costs with your plan until you meet the <b>out-of-pocket cap of \$2,000, including your deductible</b>, in 2025</li> </ul>	<ul style="list-style-type: none"> <li>You are responsible up to \$2,000 total in out-of-pocket costs for the entire year</li> <li>After you have reached the out-of-pocket maximum, you pay \$0 for your medications</li> </ul>

## Medicare Part D drug tiers<sup>5-7</sup>

Medicare Part D plans organize drugs into different "tiers," or levels of coverage, with different costs for each tier. Generally, a drug in a lower tier costs less than a drug in a higher tier. Each plan has its own tier breakdown.

### Example costs per drug tier under a Medicare Part D plan

Tier	Drug Type	Cost for patients
1	Preferred generic	Approximately \$0 to \$7 per drug
2	Generic	Approximately \$0 to \$12 per drug
3	Preferred brand	Approximately \$40 to \$47 per drug
4	Non-preferred drug	About 39% to 50% of the drug cost
5	Specialty	About 25% to 33% of the retail drug cost



### People who qualify for the Medicare Extra Help program may not have to pay out-of-pocket costs

Extra Help, also known as Low-Income Subsidy (LIS), supports patients with limited resources and income with the cost of Part D, including premiums, deductibles, coinsurance, and copays.



[Learn more](#)

# Getting Started With Extra Help

## Who qualifies for Extra Help?<sup>6</sup>

Certain people automatically get Extra Help, including those who are enrolled in Medicaid, Medicare Savings Programs, or Supplemental Security Income (SSI) benefits. People who may be eligible for Extra Help but aren't automatically enrolled can [contact the Social Security Administration \(SSA\) or their state Medicaid agency](#) or apply [online](#).

### Examples of assistance offered through Extra Help<sup>4,8</sup>

If				Then (Medicare Part D phases)		
Medicare	Medicaid	Income Limit <sup>†</sup>	Asset relative to FPL	Deductible	Copay or coinsurance	
					Initial coverage	Catastrophic coverage
✓	✓	≤\$15,060 (individuals) or ≤\$20,440 (couples)*	N/A	\$0	\$1.60 to \$4.80	\$0
✓	✓	≤\$22,590 (individuals) or ≤\$30,660 (couples) <sup>†</sup>	N/A	\$0	\$4.90 to \$12.15	\$0
✓		≤\$22,590 (individuals) or ≤\$30,660 (couples) <sup>†</sup>	≤\$15,720 (individuals) or ≤\$31,360 (couples) <sup>†</sup>			
<b>Patient out-of-pocket costs under standard Medicare Part D<sup>4</sup></b>						
				<b>\$590</b>	<b>Up to \$2,000</b>	<b>\$0</b>

\*≤100% of FPL.

<sup>†</sup>≤150% of FPL.

<sup>4</sup>Estimated amounts based on the 2024 subsidy resource limits. Actual 2025 resource limits will differ and are expected to increase.<sup>4</sup>



**After patients are approved, receiving support through Extra Help is fairly quick and easy. Participants will receive an alert that they are approved, as well as information on their reduced costs.**



**1-800-772-1213**



[Learn more](#)

### Medicare Prescription Payment Plan

If you do not qualify for Extra Help and would like help managing your out-of-pocket drug costs, you may benefit from enrolling in the Medicare Prescription Payment Plan (MPPP).

The MPPP may help by spreading out your drug costs, including your deductible, over the year, but works best if you sign up earlier in the year, especially if you anticipate high medication costs.

To learn more information and enroll in the program, contact your prescription drug plan or visit the [Medicare website](#).

### State Health Insurance Assistance Program (SHIP)

Medicare also offers regionalized counseling and assistance with costs and eligibility through the State Health Insurance Assistance Program (SHIP).



**1-877-839-2675**



[Learn more](#)

### Otsuka Patient Support offers dedicated professionals and digital solutions to help make treatment more accessible and provide ongoing support.

For questions about Extra Help, Otsuka Patient Support may be able to help provide answers.



#### Call Center

Representatives available to deliver personalized assistance and additional resources.

**1-833-468-7852**

Monday–Friday, 8 AM–8 PM ET



#### [OtsukaPatientSupport.com](#)

View educational resources and have your questions answered through a 24/7 chat.

Visit [Insurance Resources](#) for additional education about Medicare and related topics.

**References:** **1.** Medicare.gov. What's Medicare? Accessed August 30, 2023. [medicare.gov/what-medicare-covers/your-medicare-coverage-choices/whats-medicare](#) **2.** Medicare.gov. Monthly premium for drug plans. Accessed September 5, 2023. [medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/monthly-premium-for-drug-plans](#) **3.** Medicare Interactive. Filling gaps in Part D coverage. Accessed September 5, 2023. [medicareinteractive.org/get-answers/medicare-prescription-drug-coverage-part-d/medicare-part-d-coverage/filling-gaps-in-part-d-coverage](#) **4.** Centers for Medicare & Medicaid Services. Announcement of Calendar Year (CY) 2025 Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies. April 1, 2024. Accessed July 29, 2024. [cms.gov/medicare/payment/medicare-advantage-rates-statistics/announcements-and-documents](#) **5.** Medicare.gov. What Medicare Part D drug plans cover. Accessed September 5, 2023. [medicare.gov/drug-coverage-part-d/what-medicare-part-d-drug-plans-cover](#) **6.** Medicare.gov. Help with drug costs. Accessed September 5, 2023. [medicare.gov/basics/costs/help/drug-costs](#) **7.** KFF. Medicare Part D in 2024: A First Look at Prescription Drug Plan Availability, Premiums, and Cost Sharing. November 8, 2023. Accessed July 29, 2024. [kff.org/medicare/issue-brief/medicare-part-d-in-2024-a-first-look-at-prescription-drug-plan-availability-premiums-and-cost-sharing/](#) **8.** American Council on Aging: Medicaid Planning Assistance. 2024 Federal Poverty Levels. March 6, 2024. Accessed July 29, 2024. [medicaidplanningassistance.org/federal-poverty-guidelines/](#)