

Financial assistance for low-income Medicare beneficiaries

ISSUE: In 2008, the Commission recommended that the Congress align the Medicare Savings Programs (MSPs) and Part D low-income drug subsidy (LIS) income eligibility criteria. If implemented, this recommendation would effectively provide Part B premium assistance for beneficiaries with incomes up to 150 percent of poverty.

KEY POINTS: This presentation reviews the MSPs and the rationale behind the Commission's 2008 recommendation; describes why premium assistance for low-income beneficiaries through the MSPs may permit a targeted and efficient approach to help poor and near-poor beneficiaries; and explains in more detail how the 2008 recommendation addresses more recent concerns about affordability of low-income beneficiaries' Medicare OOP costs under the redesigned FFS benefit.

ACTION: Commissioners will discuss the issues.

STAFF CONTACT: Christine Aguiar (202-220-3731) and Julie Lee (202-220-3700)