

Extended Medicare

Background:

A Social Security Disability Insurance (SSDI) beneficiary is entitled to Medicare coverage after 24 months of SSDI eligibility.

- ◆ Medicare Part A, hospital insurance, is automatic and cost free.
- ◆ Medicare Part B, covering outpatient services, is optional. It carries a monthly premium of
- ◆ \$ 109.00 - \$148.50 for most people in 2021. Most new beneficiaries in 2021 will likely have a premium of \$148.50 per month.
- ◆ A small number of beneficiaries - individuals with income exceeding \$88,000 and married couples with income exceeding \$176,000 - will pay a higher Part B premium based on their income.
- ◆ Medicare Part D, covering prescription drugs, is optional and may require out-of-pocket expenses for premiums, co-payments, and deductibles.

The Extended Medicare Provisions:

- ◆ When an SSDI beneficiary goes to work for the first time:
 - Medicare continues for a nine-month trial work period and at least 93 more additional months.
 - This means that the SSDI beneficiary who goes to work can keep Medicare for at least 102 months (or, nearly eight and one half years).
- ◆ Medicare Part A continues to be automatic and cost-free. Part B continues to be optional and subject to premium payment. The optional Part D prescription drug program would also continue to be available during this extended eligibility period.

Medicare Savings Programs, Part D Extra Help

Your local Medicaid office can, in many cases, pay for the Medicare Part B premium. This is usually done under one of three “Medicare Savings Plans”: the Qualified Medicare Beneficiaries (QMB) program, the Selected Low-Income Medicare Beneficiaries (SLMB) program, or the Qualified Individuals (QI-1) program for individuals with low income. A Medicare Part D beneficiary may qualify for Extra Help (i.e., the low-income subsidy) to avoid or minimize many out-of-pocket expenses related to premiums, deductibles and copayments.

For information about the Medicare Savings Programs and eligibility criteria, see our “at-a-glance” on that topic, call your benefits adviser, call your local Medicaid office, or call our Work Incentives Hotline (toll-free) at 1-888-224-3272. For information about the Part D low-income subsidy call your benefits adviser, at our toll-free number, or go to the www.medicare.gov website.

Note: This document is produced, printed, and disseminated at U.S taxpayer expense. One hundred percent of the funding for this document is through a Social Security cooperative agreement that funds our Western NY Work Incentives Planning and Assistance (WIPA) Project. Although Social Security reviewed this document for accuracy, it does not constitute an official Social Security communication.