August 2026

Securing today and tomorrow

Understanding the *Extra Help* with Your Medicare Prescription Drug Plan

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What is *Extra Help* with Medicare prescription drug plan costs?

Anyone who has Medicare can get Medicare prescription drug coverage. Some people with limited resources and income may also be able to get *Extra Help* with the costs — monthly premiums, annual deductibles, and prescription co-payments — related to a Medicare prescription drug plan. The *Extra Help* is estimated to be worth about $5,700 per year. Many people are eligible for these big savings and don't know it. To find out, Social Security will need to know the value of your savings, investments, real estate (other than your home), and your income. We need information about you and your spouse if you are married and living together.

To help us determine if you are eligible for *Extra Help*, you will need to file an *Application for Extra Help with Medicare Prescription Drug Plan Costs* (Form SSA-1020).

Resources and income

What is the resource limit?

To be eligible for *Extra Help*, your resources must be limited to $18,090 for a person or $36,100 for a married couple living together.

Resources include the value of the things you own. Some examples are:

- Real estate (other than your primary residence)
- Bank accounts, including checking, savings, and certificates of deposit
- Stocks
- Bonds, including U.S. Savings Bonds
- Mutual funds
- Individual Retirement Accounts (IRAs)
- Cash at home or anywhere else

What does not count as a resource?

We do not count:

- Your primary residence
- Your personal possessions
- Your vehicle(s)
- Resources you cannot easily convert to cash, such as jewelry or home furnishings
- Property you need for self-support, such as rental property or land you use to grow produce for home consumption
- Non-business property essential to your self-support
- Life insurance policies
- Burial expenses
- Interest earned on money you plan to use for burial expenses

Certain other money you are holding is not counted for nine months, such as:

- Retroactive Social Security benefits or Supplemental Security Income (SSI) payments
- Housing assistance
- Tax advances and refunds related to earned income tax credits and child tax credits
- Compensation you receive as a crime victim
- Relocation assistance from a state or local government

You should contact Social Security for other resource exclusions.

What is the income limit?

To be eligible for *Extra Help*, your annual income must be limited to $23,940 for a person or $32,460 for a married couple living together. Even if your annual income is

higher, you may still be able to get some help. Some examples where your income may be higher, and you can still get *Extra Help* include if you or your spouse:

- Support other family members who live with you
- Have earnings from work
- Live in Alaska or Hawaii

What doesn't count as income?

Not all cash payments count as income. For example, **we don't count**:

- Supplemental Nutrition Assistance Program (food stamps)
- Housing assistance
- Home energy assistance
- Medical treatment and drugs
- Disaster assistance
- Earned income tax credit payments
- Assistance from others to pay your household expenses
- Victim's compensation payments
- Scholarships and education grants

You should contact Social Security for other income exclusions.

Applying for *Extra Help*

How do I apply?

Applying for *Extra Help* is easy. Just complete our *Application for Extra Help with Medicare Prescription Drug Plan Costs* (Form SSA-1020). Use one of these methods:

- Apply online at ***www.ssa.gov/medicare/part-d-extra-help***

- Call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**) to apply over the phone or to request an application
- Apply at your local Social Security office

After you apply, we will review your application and let you know if you are eligible for *Extra Help*. If so, you can choose a Medicare prescription drug plan. If you do not select a plan, the Centers for Medicare & Medicaid Services will do it for you. The sooner you join a plan, the sooner you begin receiving benefits.

If you aren't eligible for *Extra Help*, you can still enroll in a Medicare prescription drug plan.

Late enrollment penalty

Medicare Prescription Drug Plan Penalty

If you don't enroll in a Medicare drug plan when you're first eligible, you may have to pay a late enrollment penalty if you join a plan later. You'll have to pay this penalty for as long as you have Medicare prescription drug coverage. However, you won't pay a penalty if you get *Extra Help* or other eligible prescription drug plan coverage.

NOTE: *The Medicare prescription drug plan late enrollment penalty is different than the Medicare Part B late enrollment penalty. If you don't enroll in Part B when you're first eligible for it, you may have to pay a late enrollment penalty for as long as you have Part B coverage. Also, you may have to wait to enroll, which will delay Part B coverage.*

For information about enrollment periods, visit ***Medicare.gov*** or call **1-800-MEDICARE** (**1-800-633-4227**; TTY **1-877-486-2048**).

Why should I apply online?

Our online application is secure and offers several advantages. It takes you through the process step-by-step with a series of self-help screens. The screens will tell you what information you need to complete the application and will guide you in answering the questions. You can apply from any computer and at your own pace. You can start and stop at any time during the process, so you can leave the application and return later to update or complete the information. We are careful to protect your personal information.

What do I need to know?

Most of the questions on the application are about resources and income. If you are married and living with your spouse, we need to know this information about both of you. Family members, caregivers, and other third parties can help you complete the application. The information below can help you decide if you are eligible and can assist you in completing the actual application for *Extra Help*. The worksheet is **not** an application.

To prepare:

- Review all your household income
- Identify the things you own alone, with your spouse, or with someone else, but **do not** include your home, vehicles, burial plots, life insurance policies, or personal possessions
- Gather your records in advance to save time

We need to know information about your (and your spouse's, if you are married and living together) resources and income.

1. The dollar value of your resources for:
   —Bank accounts, including checking, savings, and certificates of deposit

—Stocks, bonds, savings bonds, mutual funds, individual retirement accounts (IRAs), or other investments

—Cash at home or anywhere else

—Any real estate other than your home

2. The monthly dollar amount of your income from:

—Social Security benefits

—Railroad Retirement benefits

—Veterans benefits

—Other pensions or annuities

—Alimony

—Net rental income

—Workers' compensation

—Other income (e.g., unemployment, private or state disability payments)

—Wages

—Net earnings from self-employment

We'll compare your information with data available from other government agencies to make sure the figures match.

If you're an American Indian or Alaska Native

Our **"Resources and income"** section provides a list of what doesn't count toward the resource and income limits for the *Extra Help* benefit. American Indians and Alaska Natives may have other resources and income that are excluded.

For example, **Social Security will not count** the following resources and income:

- Certain distributions received by an Alaska Native from an Alaska Native Regional and Village Corporation

- Land held in trust by the United States for an American Indian or a tribe
- Funds held in trust by the Secretary of the Interior for a tribe and distributed per capita to members of the tribe
- Up to $2,000 per year received by an American Indian that is derived from individual interests in trusts or restricted lands
- Payments to members of specific tribes as provided by federal legislation

You should contact Social Security for other resource and income exclusions.

If you're a family member, caregiver, or other third party

You can help Medicare beneficiaries apply for *Extra Help* with their Medicare prescription drug plan costs. If you assist someone with the application, you must answer the questions as if that person were completing the application. To find out if someone is eligible, we will need to know the value of their savings, investments, real estate (other than their home), as well as income. We need information about the person you are helping and their spouse, if they are married and living together. The information in our **"To prepare:"** section can help you with the application.

You can help someone apply for *Extra Help* online by visiting our website or calling our toll-free number to request the *Application for Extra Help with Medicare Prescription Drug Plan Costs* (Form SSA-1020). You also can visit your local Social Security office for assistance.

How do I choose a specific plan?

Visit ***Medicare.gov***, and use the following tools to help you decide.

Compare Medicare prescription drug plans — You can find and compare the prescription drug plans in your state that meet your personal needs and enroll in the prescription drug plan you select. You can enter information about the specific medications you take and get information to help you find the plans in your state that match your prescription drug needs.

To learn more about Medicare prescription drug plans and special enrollment periods, please visit ***Medicare.gov*** or call **1-800-MEDICARE**.

What factors should I consider when comparing Medicare drug plan choices?

Coverage — Medicare drug plans will cover generic and brand-name drugs. Most plans will have a formulary, which is a list of drugs covered by the plan. The drugs covered by the plans can change, but the list always must meet Medicare's requirements.

Cost — Monthly premiums and your share of prescription costs will vary depending on which plan you choose. If you are eligible for *Extra Help* because you have limited resources and income, you will get help with some or all these costs.

Convenience — Drug plans must contract with pharmacies in your area. Check with the plan to make sure the pharmacies in the plan are convenient for you.

How do I join a Medicare prescription drug plan?

On the plan's website — Visit the drug plan company's website. You may be able to join online.

On Medicare's website — Join a drug plan at ***Medicare.gov*** using Medicare's online enrollment center.

By paper application — Contact the company offering the drug plan you choose and ask for an application. After you fill out the form, mail or fax it back to the company.

By phone — Call the plan or call **1-800-MEDICARE**, and talk to a customer service representative.

Can state agencies help with Medicare costs?

When you file your application for *Extra Help*, you also can start your application process for the Medicare Savings Programs. These state programs provide help with other Medicare costs. We will send information to your state unless you tell us not to on the *Extra Help* application. Your state will contact you to help you apply for a Medicare Savings Program.

These Medicare Savings Programs help people with limited resources and income pay for their Medicare expenses. The Medicare Savings Programs help pay for your Medicare Part B (medical insurance) premiums. For some people, the Medicare Savings Programs may also pay for Medicare Part A (hospital insurance) premiums, if any, and Part A and B deductibles and co-payments.

Medicaid or medical assistance is a joint federal and state program that helps pay medical costs for some people who have limited resources and income. Each state has different rules about eligibility and applying for Medicaid. Contact your state Medicaid office for more information.

Review of your eligibility

We may contact you periodically to review your status. This review will ensure that you're still eligible for the *Extra Help* and still receiving all the benefits you are eligible for. Reviews are done every year, usually at the end of August. If you aren't selected for a review, there will be no change in the amount of *Extra Help* you receive.

How will Social Security contact me?

We'll send you a form called *Social Security Administration Review of Your Eligibility for Extra Help (SSA-1026)*. You'll have 30 days to complete and return this form. Any necessary adjustments to the *Extra Help* will be effective in January of the following year. For example, say we send you a review form in August 2026. If you return the review form within 30 days, any necessary adjustment to your *Extra Help* will be effective in January 2027.

What if I need help completing the form?

Family members, caregivers, and third parties can help you complete the form. Social Security also can help answer your questions. Just call us at **1-800-772-1213**. If you're deaf or hard of hearing, please call our TTY number at **1-800-325-0778**. You may also visit your local Social Security office for assistance.

What kind of adjustment will be made to my *Extra Help?*

One of the following adjustments may be made:

- No change in the amount of *Extra Help* you receive
- An increase in the amount of *Extra Help* you receive
- A decrease in the amount of *Extra Help* you receive
- Termination of your *Extra Help*

What will happen if I don't return the review form?

Your *Extra Help* will stop in the following year.

How will I know what decision Social Security made on the review?

We will send you a letter explaining the decision we made. If you believe the decision is incorrect, you have the right to appeal it. The letter also will explain your appeal rights.

Appealing the decision

What can I do if I disagree with the information used to determine my eligibility?

We will send you a pre-decisional notice if the information in our records shows you are ineligible for *Extra Help*. If you don't understand the notice, call us at **1-800-772-1213**, and we'll explain it to you. If you disagree with the information we have, call the number above or visit your local Social Security office within 10 days of receiving the pre-decisional notice. You can then give us the correct information.

We'll send you a final determination if you don't provide us any additional information within 10 days. It will explain what you should do if you disagree with the final determination. We call this an appeal.

How can I appeal the final determination made on my application for *Extra Help*?

If you want to appeal the determination we made about your eligibility for *Extra Help* with Medicare prescription drug plan costs, complete the form, *Appeal of Determination for Extra Help with Medicare Prescription Drug Plan Costs* (Form SSA-1021). You will need to mail the form to Wilkes-Barre Data Operations Center, P.O. Box 1030, Wilkes-Barre, PA 18767-1030. You can also visit your local Social Security office for help.

What will happen when I appeal?

When you request the appeal, we'll ask you to tell us why you think our decision is wrong. Usually, we'll set up an appointment for a hearing to review your case with you by telephone. To set up the hearing appointment, we'll ask you for two preferred times for us to call. Then, we'll send you a hearing appointment notice that will give you the time and date scheduled for your hearing.

If you choose not to participate in a telephone hearing, we'll decide your case by looking at the information we have on file. We will also look at any new information you give us, to be sure we make a proper decision. We call this a hearing by case review.

Whether you request a hearing by telephone, or a hearing by case review, we'll send you another notice as soon as we complete the necessary work on your claim.

Is there a timeframe for the appeal?

You have 60 days from the date you receive the notice telling you about our decision to request an appeal. If you don't appeal within 60 days, you may lose your right to appeal, and the decision we made becomes final. If you have a good reason for not appealing your case within the time limits, we may give you more time. You can request an extension by calling us at **1-800-772-1213**.

Can I get help to request an appeal?

You may choose to have someone help you with your appeal or represent you. Your representative may be a lawyer or other qualified person familiar with you and the Social Security program. We will work with your representative just as we would work with you. They can act for you in most Social Security matters.

What if I disagree with the decision?

If you disagree with the decision we make on your appeal, you may file a lawsuit in a federal district court. The letter we send you about the decision on your appeal also will tell you how to ask a court to look at your case.

How can I get more information?

For more information about getting *Extra Help* with your Medicare prescription drug plan costs, visit ***www.ssa.gov/extrahelp*** or call us. Social Security representatives are available to help you complete your application. The sooner you apply, the sooner you will begin receiving benefits.

If you need information about Medicare Savings Programs, Medicare prescription drug plans, how to enroll in a plan, or to request a copy of the *Medicare & You* handbook, please visit ***Medicare.gov*** or call **1-800-MEDICARE**. Your State Health Insurance Counseling and Assistance Program (SHIP) also can help answer your Medicare questions. You can find your local SHIP contact information in the back of your Medicare handbook, online at ***Medicare.gov***, or you can request it when you call.

Contacting Us

Visit our website

The most convenient way to conduct business with us is online at ***www.ssa.gov***. You can accomplish a lot.

- Apply for *Extra Help* with Medicare prescription drug plan costs.
- Apply for most types of benefits.
- Start or complete your request for an original or replacement Social Security card.

- Find copies of our publications.
- Get answers to frequently asked questions.

When you create a personal *my* Social Security account, you can do even more.

- Review your *Social Security Statement*.
- Verify your earnings.
- Get estimates of future benefits.
- Print a benefit verification letter.
- Change your direct deposit information (Social Security beneficiaries only).
- Download a copy of your SSA-1099/1042S.

If you live outside the United States, visit ***www.ssa.gov/foreign*** to access our online services.

Call us

If you cannot use our online services, we can help you by phone when you call our National toll-free 800 Number. We can also make a video, phone, or in-person appointment for you, if needed. We provide free interpreter services upon request.

You can call us at **1-800-772-1213** — or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing — between 8 a.m. – 7 p.m., Monday through Friday. For quicker access to a representative, try calling early in the day (between 8 a.m. and 10 a.m. local time) or later in the day. **We are less busy later in the week (Wednesday to Friday) and later in the month.** We also offer many automated phone services, available 24 hours a day, so you may not need to speak with a representative.

If you have documents we need, they must be original or copies that are certified by the issuing agency.



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