

Drug Discount Card Enrollment Tip Sheet

Ready to Enroll in a Medicare-Approved Drug Discount Card? Start Here.

STEP 1: Get Enrollment Materials

- Now that you've decided which Medicare-approved drug discount card best fits your needs, it's time to sign up for that card.
- Call the company that is offering the drug discount card you want, and ask for enrollment materials.
- You might also be able to enroll by telephone or on the Internet with some card companies.
- You might also be able to get help enrolling from a State Health Insurance Assistance Program (SHIP) or other local groups. Call 1-800-MEDICARE (1-800-633-4227), or look at www.medicare.gov on the web, and select "Helpful Contacts" for a referral.

STEP 2: Decide Which Enrollment Form You Need

- For each Medicare-approved drug discount card, there are two different enrollment forms.
- If your annual income is no more than \$12,569 for a single person or no more than \$16,862 for a married couple, you should fill out an enrollment form for BOTH the drug discount card and the \$600 credit to help pay for your prescription drugs (limits are higher in Alaska and Hawaii).
- If your annual income is higher than the limits above, you should fill out an enrollment form for ONLY the drug discount card.

Note: If you are getting help from your State with paying your Medicare premiums or deductibles, you may still qualify for the \$600 credit even if your income is higher than the limits stated above. You should fill out an enrollment form for BOTH the drug discount card and the \$600 credit to help pay for your prescription drugs.

- If you are enrolled in a State program that gives you help with paying for your prescriptions, consider contacting that program before enrolling in a discount card to see if there is a good way to coordinate those benefits to your advantage.
- If you have questions about what things count as income, see the list on the back of this tip sheet.

STEP 3: Submit Your Enrollment Form

- After you have filled in the enrollment form and signed it, you can mail or fax the form to the company that is offering that drug discount card.
- If you have a higher income and filled out the enrollment form for the drug discount card ONLY, check the other enrollment materials. You might be able to call the company and finish enrolling over the telephone or on the Internet, rather than mailing the form.

STEP 4: Company Works with Medicare to Check Your Form

- When the company receives your enrollment form, they will work with Medicare to make sure you are eligible for the drug discount card and/or the \$600 credit.
- If Medicare verifies that you are eligible, the company will enroll you in their Medicare-approved drug discount card and send you a card.

STEP 5: Start Saving!

- You can use your card beginning on the effective date, which is the first day of the month after the company receives your completed enrollment form.
- If you have other questions, or your situation changes, you can find more information at www.medicare.gov on the web, by calling 1-800-MEDICARE (1-800-633-4227), or by contacting your local State Health Insurance Assistance Program.



What Should I Count Toward Income?

Count

- Social Security benefits (including Social Security Equivalent portion of RR Retirement)
- Railroad Retirement benefits
- VA benefits
- Military and government disability pensions - armed forces, PHS, NOAA, Foreign Service (based on date pension began, combat-related pension, etc.)
- Employee compensation (salary, wages, tips, bonuses, awards, etc.)
- Unemployment compensation
- Pensions and annuities
- Individual Retirement Account (IRA) distributions
- Interest from savings accounts, checking accounts, etc.
- Ordinary dividends from stocks, bonds, etc.
- Refunds, credits, or offsets of state and local income taxes
- Alimony received
- Business income
- Capital gains
- Farm income
- Rental real estate, royalties, partnerships, trusts, etc.
- Other gains (sale or exchange of business property)
- Other income (lottery winnings, awards, prizes, raffles, etc.)

Don't Count

- Inheritances and gifts (taxed to estate or giver if not under limits for exemption)
- Interest on state and local government obligations (such as bonds)
- Workers' compensation payments
- Federal Employees Compensation Act payments
- Supplemental Security Income (SSI) benefits
- Income from national senior service corps programs
- Public welfare and other public assistance benefits
- Proceeds from sale of a home
- Lump sum life insurance benefits paid upon death of insured
- Life insurance benefits paid in installments
- Accelerated life insurance death benefit payments (viatical settlements, terminal illness, chronic illness)
- Medical Savings Account (MSA) withdrawals for medical expenses
- Payments from long-term care insurance policies (subject to limitation)
- Accident or health insurance policy benefits
- Accident compensatory damages
- Child support payments received
- Most foster care provider payments received
- Disaster Relief grants
- Disability payments as the result of a terrorist attack