

The Medicare Improvements for Patients and Providers Act (MIPPA)



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Congress passed the Medicare Improvements for Patients and Providers Act (MIPPA) in 2008 to help make Medicare more accessible and affordable for rural and low-income beneficiaries.

MIPPA modified the Medicare program and allocated federal funding to organizations that assist and educate Medicare beneficiaries with lower incomes and those residing in rural areas.

The U.S. government [allocates](#) MIPPA funding to each state according to its Medicare population. This article discusses MIPPA, the motivations behind its enactment, and its effects on Medicare.

MIPPA at a glance

What does MIPAA stand for?

MIPPA stands for the Medicare Improvements for Patients and Providers Act, also known as [Public Law 110-275](#).

When was MIPPA passed?

The U.S. Congress passed MIPPA in 2008 by [overriding](#) a veto by then-President George W. Bush.

Is MIPPA still in effect?

A MIPPA reauthorization was recently passed and is currently effective through [August 2026](#).

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MIPPA explained

The U.S. government [distributes](#) MIPPA funds to organizations such as the State Health Insurance Assistance Programs (SHIP), Area Agencies on Aging (AAA), and Aging and Disability Resource Centers (ADRC/NWD).

With this funding, these groups extend their reach to Medicare beneficiaries in rural areas and those with limited financial resources,

offering guidance to help reduce healthcare expenses. The goal is, in large part, to increase enrollment in programs such as [Extra Help](#) and [Medicare Savings Programs \(MSPs\)](#).

Additionally, MIPPA supports the National Center for Benefits Outreach and Enrollment (NCBOE) in creating digital solutions that streamline Medicare enrollment and benefit acquisition processes.

MIPPA's Medicare improvements

MIPPA also introduced [certain modifications](#) to the different Medicare plans and parts, aiming to reduce financial and logistical obstacles to coverage.

For [Original Medicare \(parts A and B\)](#), MIPPA:

- lowered cost barriers to mental healthcare
- added certain preventive services
- expanded benefits for people living with end stage renal disease (ESRD)
- expanded certain MSPs
- [affirmed](#) beneficiary freedom to continue using any approved supplier of [Durable Medical Equipment \(DME\)](#)
- streamlined healthcare operations by promoting electronic prescriptions and incentivizing quality reporting

For [Medicare Advantage \(Part C\)](#), MIPPA:

- [equalized](#) payments to private insurers managing Part C plans
- encouraged the creation of provider networks
- [redirected](#) certain funds to support Medicare's financial health

For [Medicare Part D](#), MIPPA:

- removed late-enrollment penalties for Extra Help enrollees
- mandated Part D coverage for certain drug categories
- revised eligibility calculations

For [Medigap](#), it discontinued plans E, H, I, and J after June 2010 while introducing plans M and N.

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MIPPA impact

Since its 2008 enactment, MIPPA has helped over [1 million](#) low-income Medicare beneficiaries discover cost-reduction programs for healthcare and prescriptions.

However, recent trends show that measuring its success is complex. By 2025, enrollment in Extra Help had declined from [13.7 million to 13.1 million](#), which was the first decrease since 2007, before MIPPA's implementation.

However, earlier data painted a more positive picture. The [Centers for Medicare & Medicaid Services \(CMS\)](#) reported annual MSP enrollment increases from 2007 to 2011, with a 2012 survey from the [United States Government Accountability Office](#) finding 28 states crediting this growth to MIPPA.

Nearly two decades after MIPPA's passage, multiple factors complicate the assessment of its overall impact. Despite early gains, MSP enrollment [remained low as of 2024](#).

The [Office of Behavioral Health, Disability, and Aging Policy](#) found MIPPA's mental health provisions delivered mixed outcomes. [Initial increases](#) in professional mental health utilization and decreased out-of-pocket costs didn't translate to sustained growth in outpatient visits.

It may be that persistent barriers such as transportation challenges, provider shortages, and stigma regarding mental health continue to limit access to care despite MIPPA's changes.

While MIPPA remains in place today, additional long-term effects of its various programs have yet to be comprehensively studied.

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Frequently asked questions

What is Section 153 C of the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008?

In Section 153 C, MIPPA introduced [ESRD QIP](#), a program encouraging dialysis centers to provide better care for people with ESRD in exchange for more Medicare funding.

What rule changes were made in 2008 regarding how Medicare plans can be marketed?

MIPPA prohibited certain types of marketing and sales practices by Medicare Advantage and Part D insurers to protect beneficiaries from deceptive practices. It [banned](#) practices such as unsolicited contact and cross-selling, and restricted the ability of brokers and agents to market their plans to certain locations and under certain conditions.

Summary

The Medicare Improvements for Patients and Providers Act (MIPPA), enacted by Congress in 2008 and now extended through 2026, strives to make Medicare more accessible and affordable, particularly for beneficiaries in rural areas and those with limited income.

Through federal grants, MIPPA funds programs that help older adults navigate and enroll in Medicare cost-reduction programs. The legislation also implemented several Medicare reforms, expanding coverage options and incorporating additional preventive services.

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Last medically reviewed on August 29, 2025

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Medicare Extra Help: How to qualify and apply

Medically reviewed by Alisha D. Sellers, BS Pharmacy, PharmD — Written by MaryAnn De Pietro, CRT and Mandy French — Updated on May 1, 2025

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Medicare Extra Help is a federal assistance program that helps people with limited incomes pay for the costs of Medicare prescription drugs.

Medicare Extra Help is not a Medicare policy. Instead, the Social Security Administration (SSA) oversees the program as a form of government assistance.

Sometimes, providers refer to this as the Part D Low-Income Subsidy.

Glossary of Medicare terms

We may use a few terms in this piece that can be helpful to understand when selecting the best insurance plan:

- **Deductible:** This is an annual amount that a person must spend out of pocket within a certain time period before an insurer starts to fund their treatments.
- **Coinsurance:** This is a percentage of a treatment cost that a person will need to self-fund. For Medicare Part B,

this comes to 20%.

- **Copayment:** This is a fixed dollar amount that an insured person pays when receiving certain treatments. For Medicare, this usually applies to prescription drugs.

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What does Medicare Extra Help cover?

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Medicare Extra Help covers some costs of a Medicare Part D plan, [including](#):

- prescription copayments
- annual deductibles
- monthly Part D premiums

Part D is an optional part of Medicare that offers prescription drug coverage. People eligible for Medicare [Part A](#) and [Part B](#) can also purchase [Medicare Part D](#).

Private insurance companies have a contract with the federal government that allows them to offer Medicare Part D plans. With Medicare Part D, an enrollee uses the insurer's network of pharmacies to buy prescription drugs.

However, individuals with Medicare Part D usually still have out-of-pocket expenses. The exact cost of Part D depends on the plan a person chooses and the medications they take.

How to qualify and apply for Medicare Extra Help

Some people automatically qualify for Medicare Extra Help and do not have to apply. These [include](#):

- individuals who receive both Medicare and Medicaid
- people who have a Medicare Savings Program, which provides help with Part B premiums
- individuals who receive Supplemental Security Income (SSI)

Typically, people who meet the above eligibility requirements receive a letter informing them they do not have to apply for Extra Help. This letter will provide information about Extra Help, such as how much

the person will have to pay and details about their new drug plan (if applicable).

People not meeting the above requirements may still qualify for Medicare Extra Help based on their income. To qualify for the Extra Help program, a person [must](#):

- have Medicare Part A and Part B
- be a U.S. citizen or legal resident
- meet the income criteria

To apply for Medicare Extra Help, a person can submit an application through the [SSA online](#) or in person at a local Social Security office. Once the SSA reviews a person's eligibility, it notifies applicants by mail if they qualify for Extra Help.

Income criteria for Medicare Extra Help

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still meet the requirements for the program, depending on their income.

The income criteria for Medicare Extra Help may change yearly. The program may provide full or partial help based on a person's monthly income and resources.

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- annual income below \$23,475 for an individual
 - annual income below \$31,725 for a married couple
 - resources below \$17,600 for an individual
 - resources below \$35,130 for a married couple

The SSA includes only certain resources when it considers a person for Extra Help, [as follows](#):

Resources included	Resources excluded
real estate other than the primary residence	primary residence
bank accounts, including: •checking •savings •certificates of deposit	personal possessions
stocks	vehicles
bonds, including U.S. Savings Bonds	resources not easily turned into cash, such as home furnishings and jewelry
mutual funds	property needed for self-support, such as rental property or property used for food production for home consumption
individual retirement accounts	life insurance policies
cash at home or elsewhere	non-business property that is essential to self-support
	burial expenses
	interest earned on money set aside for burial expenses

An additional qualification is enrollment in a Medicare Part D plan. Individuals who are unsure whether they meet the criteria may still apply.

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Advantages of Medicare Extra Help

Having Medicare Extra Help can provide a person with various benefits and advantages.

It helps pay for Medicare Part D premiums

People purchase Medicare Part D through a private insurer, and premiums can vary. Medicare Extra Help [pays that](#) premium up to a specific amount.

However, this amount varies by state and depends on whether a person can access full or partial Extra Help.

It helps lower the cost of prescription drugs

Medicare Extra Help assists with copayments and deductibles. This helps bring down the out-of-pocket costs for individuals who qualify.

In 2025, people who qualify for Extra Help [pay](#):

- \$0 for their drug plan deductible
- \$0 for their Medicare drug plan premiums
- \$4.90 for each generic prescription
- \$12.15 for each brand-name prescription

Once a person's total drug costs reach \$2,000 (including payments made on their behalf, like through Extra Help) they will pay \$0 for each covered prescription.

It provides a Special Enrollment Period (SEP) for Medicare Part D

Usually, changes to a Medicare Part D plan are only allowed during the fall open enrollment period, which is mid-October through early December.

However, people with Extra Help [can enroll](#) in Medicare Part D or switch plans during SEPs. These periods are:

- January to March
- April to June
- July to September

» Learn more: [Medicare SEPs](#)

It waives Medicare Part D late enrollment fee

If individuals did not join a plan that included prescription drug coverage (Part D) and did not have any drug coverage for more than [63 days](#) after they joined Part A and Part B, they could incur a late enrollment penalty.

However, those who qualify for Extra Help are waived from this penalty. Also, if they were already paying a penalty when they qualified for Extra Help, the penalty goes away upon qualification.

» Learn more: [Medicare late enrollment penalties](#)

How does Medicare Extra Help reduce drug costs?

People with Medicare Extra Help find that the amount it reduces prescription drug costs may vary.

The SSA estimates that Medicare Extra Help reduces prescription drug costs by about [\\$6,200](#) per year for each recipient.

Medicare Extra Help reduces drug costs in several ways.

It lowers the monthly premium for Medicare Part D. People who receive full Extra Help pay a \$0 premium and do not have to meet a deductible.

In 2025, people pay a [\\$4.90](#) copayment for generic drugs and a \$12.15 copayment for brand-name drugs. After they reach \$2,000 (including payments made on their behalf, like through Extra Help), they no longer need to pay a copayment when buying medications.

Medicare Part D includes prescription medication copayments. As these may vary, the Part D copayment may be lower than the Medicare Extra Help copayment. Individuals with Extra Help pay whichever copay is lower.

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Requalifying every year

Qualifying for Medicare Extra Help in one year does not automatically qualify a person for the next year.

Circumstances change, and a person will need to show that they meet the Extra Help criteria for each enrollment year.

The process to requalify may vary depending on how a person initially met the criteria. For example, a person may have to apply for continued eligibility by providing documentation that confirms their income.

Medicare resources

For more resources to help guide you through the complex world of medical insurance, visit our [Medicare hub](#).

Summary

Medicare Extra Help is a social security program that provides extra funding for people who have Medicare Part D.

It can help cover the costs of their monthly premium, deductible, and any medication copayments. The SSA approves people for the Extra Help program based on income and assets.

People will need to requalify for Extra Help every year.

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