

**Table 4. Eligibility of Medicare Beneficiaries in 2006 for Low-Income Subsidies under the Conference Agreement for H.R. 1, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003**  
(millions of beneficiaries)

	Income (Percent of the Federal Poverty Level)							Total
	Below 100%	101% to 120%	121% to 135%	136% to 150%	151% to 175%	176% to 200%	Above 200%	
<b>Number of Eligible Beneficiaries</b>								
Subsidy A								
Dual eligibles	4.4	0.9	0.2	0.2	0.2	0.1	0.3	6.4
All other beneficiaries	2.7	2.0	1.1	0.0	0.0	0.0	0.0	5.8
Subtotal	7.1	2.9	1.3	0.2	0.2	0.1	0.3	12.2
Subsidy B	0.2	0.3	0.2	1.2	0.0	0.0	0.0	1.9
Total eligible beneficiaries	7.3	3.2	1.6	1.3	0.2	0.1	0.3	14.1
Not eligible for low-income subsidies	0.4	0.4	0.5	0.5	2.3	2.4	19.0	25.4
Total Medicare beneficiaries	7.7	3.6	2.0	1.8	2.5	2.4	19.3	39.4

Components may not sum to totals because of rounding.

**Eligibility and benefits under Subsidy A:**

1. Individuals would qualify if they have incomes below 135 percent of the federal poverty level and countable assets of less than \$6,000 for an individual or \$9,000 for a couple. Those amounts would be adjusted for inflation in later years. Dual eligibles would also qualify, regardless of their income or assets.
2. Eligible individuals would receive a full premium subsidy and pay only nominal cost-sharing up to the catastrophic level; cost-sharing for dual eligibles in nursing homes or with incomes below the federal poverty level would be further reduced or eliminated. Individuals would pay no cost-sharing above the catastrophic level.

**Eligibility and benefits under Subsidy B:**

3. Individuals who do not qualify for Subsidy A would be eligible for Subsidy B if they have incomes below 150 percent of the federal poverty level and countable assets of less than \$10,000 for an individual or \$20,000 for a couple. Those amounts would be adjusted for inflation in later years.
4. Eligible individuals would pay a lower deductible and reduced cost-sharing for spending below the catastrophic level. They would also receive a premium subsidy that would be phased out for individuals with incomes between 135 percent and 150 percent of the federal poverty level.

**Participation rates:**

5. By 2013, CBO estimates that about 75 percent of beneficiaries eligible for Subsidy A would be receiving that subsidy and about 35 percent of beneficiaries eligible for Subsidy B would be receiving that subsidy.

Source: Congressional Budget Office.