

We are sending you this letter because you have a new choice for prescription drug coverage.

What is my new choice?

Beginning January 1, 2006, Medicare will offer prescription drug coverage to all people with Medicare. If you have Medicare Part A and/or Part B, you can join a Medicare prescription drug plan in your area to help with the costs of your prescription drugs. For the first time, you can choose coverage for this important health need and Medicare will help pay for it.

Will the new plans affect the help paying for my prescription drugs I get now from <insert name of SPAP>?

[**Note:** If applicable, SPAP will need to include sentences related to how they have chosen to assist covering drug plan costs not covered by Medicare, or explain if SPAP is being dissolved.]

For more information about how Medicare prescription drug plans will affect you, call <insert SPAP phone number>.

What are Medicare prescription drug plans?

Medicare prescription drug plans are a new type of insurance to help people with Medicare pay for prescription drugs. Medicare is working with insurance companies and other private companies to offer these plans. Starting this fall there will be plans in your area. Plans will vary by cost, drugs covered, and the pharmacies you can use. You will have at least two plans to choose from in your area.

Do I need to do anything?

Yes. You can enroll in a plan starting November 15, 2005. Call the company offering the plan you choose to enroll. If you don't join a Medicare prescription drug plan by May 15, 2006, and you don't have prescription drug coverage as good as or better than Medicare prescription drug coverage, your premiums will go up at least 1% for every month you wait to get a Medicare prescription drug plan.

Can I get extra help paying for Medicare prescription drug plan costs?

[**Note:** States can choose the answer applicable to their beneficiaries for this question, depending on whether or not they are communicating to their Medicare Savings Program beneficiaries and beneficiaries receiving Supplemental Security Income who both are deemed eligible for the subsidy.]

[for deemed MSP and SSI beneficiaries]

Yes. Medicare will give you extra help with your Medicare prescription drug plan costs. Depending on the plan you choose, you will pay no or a small monthly premium, no yearly deductible, and a \$2 or \$5 copayment for each prescription you fill. You don't need to apply for this extra help.

[for non-deemed potential subsidy eligible]

If you have a low income and limited assets, you may qualify for extra help from Medicare with your prescription drug plan costs. In the summer 2005, the Social Security Administration (SSA) will be mailing applications for this extra help to people who may qualify. Fill out the

application and send it back to SSA as soon as possible. Even if you don't receive an application from SSA, you may qualify for extra help. Visit SSA at www.socialsecurity.gov on the web, or call 1-800-772-1213 for an application.

If you qualify for extra help, you will get help paying for your Medicare prescription drug plan's monthly premium and deductible and for some of the cost you would normally have to pay for your prescriptions. The amount of extra help will be based on your income, assets (including your savings and stocks, but not counting your home), and the drug plan you choose.

What if I get prescription drug coverage through my employer or union?

If you get prescription drug coverage through your past or current employer or union, you may not need to enroll in a Medicare prescription drug plan. Contact your employer or union's benefits administrator for more information. Your benefits administrator can provide you with information about your current prescription drug coverage so that you can compare it to Medicare prescription drug coverage and make a decision that meets your needs.

Where can I get more information about the Medicare prescription drug plans?

Read the *Medicare & You 2006* handbook you get in the mail in October 2005. It will include more detailed information about Medicare prescription drug plans, including which plans will be available in your area. After that time, if you need help choosing a Medicare prescription drug plan that meets your needs,

- call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- look at www.medicare.gov on the web and get personalized information.
- call <add name of SHIP>, your State Health Insurance Assistance Program (SHIP) at <add SHIP telephone number>.