



DEPARTMENT OF VETERANS AFFAIRS
Health Administration Center
PO Box 65023
Denver, CO 80206-9023

In Reply Refer To:
741/CSC/[REDACTED]

Dear [REDACTED] :

1. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, adds a new prescription drug program to Medicare. Starting January 1, 2006, prescription drug coverage will be available to all CHAMPVA beneficiaries who are also eligible for Medicare coverage.

2. Most entities that currently provide prescription drug coverage to Medicare beneficiaries are required to disclose whether the entity's coverage is "creditable prescription drug coverage." The CHAMPVA prescription drug benefit provided as part of VA health care benefit meets or exceeds Medicare criteria. This means that VA prescription drug coverage is at least as good as the Medicare Part D coverage and provides "creditable coverage" for purposes of Medicare.

3. VA is considered a "creditable prescription drug plan." CHAMPVA beneficiaries who choose not to enroll in a Medicare Part D plan before May 15, 2006, will not have to pay a late enrollment penalty if they chose to enroll in a Medicare drug plan during a later enrollment period.

4. For more information on Medicare Part D, visit the Medicare Web sites at **www.medicare.gov**, or call its 24-hour toll-free number at 1-800-MEDICARE (1-800-633-4227).

Sincerely,

Enclosure: Fact Sheet 05-03, Medicare Prescription Drug Coverage and CHAMPVA

cc: