

# Medicare Rx

Prescription Drug Coverage



“A National Conversation –  
Friends and Family First”

In case you missed  
the national television program,  
“**Medicare Rx: A National Conversation**”  
click here to watch it now.

This holiday season is a great time to pull up a chair and have a conversation with a friend or loved one about the new **Medicare Prescription Drug Coverage**.

Use these **five simple steps** to help guide you through your conversation.

1. **Understand** the basics of Medicare Prescription Drug Coverage.
2. **Determine** how your friend or family member gets current prescription coverage today.
3. **Gather** some important information.
4. **Review** the plan choices.
5. **Help** them enroll.

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## 5 simple steps:

Step 1: Understand the basics – [Click here to learn more](#)

Step 2: Determine current coverage ————— [Click here to learn more](#)

To start the conversation, find the statement that best describes the person you are helping.

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OFFICIAL MEDICARE PUBLICATION

America, pull up a chair.

We've got something  
good to talk about.

INTRODUCING

**Medicare**<sub>Rx</sub>  
Prescription Drug Coverage <sub>Rx</sub>

# Starting January 1, 2006, Medicare will help pay for prescription drugs.

It's the biggest improvement in health care for seniors and Americans with disabilities since Medicare began 40 years ago. For the first time ever, Medicare will help pay for the prescription drugs we need to stay healthy.

*Everyone with Medicare is eligible for this coverage, regardless of income and resources, health status or current prescription expenses.*

**How much will Medicare pay for?** For an average monthly premium of about \$32, you get two levels of coverage: standard and catastrophic. After a \$250 deductible, Medicare pays 75% of the cost of covered drugs until yearly costs reach \$2,250. When yearly out-of-pocket prescription costs exceed \$3,600 — which often happens in the event of serious health problems such as heart disease and cancer — catastrophic coverage takes effect and Medicare pays up to 95% of drug charges for the rest of the year. Many plans will offer more coverage, smaller deductibles or premiums lower than \$32. Most people with limited income and resources will pay only a few dollars for each prescription.



## A simple conversation can change a life.

Medicare prescription drug coverage is important. It's a vital addition to Medicare that will help people save money and live better, healthier lives. It will extend the promise of modern drug treatment to everyone with Medicare. If you have Medicare, we strongly urge that you learn more about this new coverage. If you have family and friends with Medicare, we ask that you help them learn more about it, too. Read this booklet. Then pull up a chair and talk to someone you love or care about who has Medicare. Mention that Medicare prescription drug coverage is coming. Explain how signing up for this coverage requires choosing between plans and making a decision. Discuss what these plans offer in terms of cost, coverage, convenience and peace of mind. And, if needed, offer to help them enroll.

Got questions? Look on the next-to-last pages of this booklet for places where you can get answers.

In the next few weeks the *Medicare & You 2006* handbook will be mailed to all people with Medicare. It will have detailed information and a list of plans in your area.

Imagine yourself, and millions of others like you, changing lives. One conversation at a time.



## 4 things to think and talk about when choosing a Medicare prescription drug plan.

Every person with Medicare has two choices: You can join a Medicare Prescription Drug Plan that covers prescription drugs only and keep your Original Medicare coverage. Or you can join a Medicare Advantage Plan or other Medicare Health Plan that covers doctor and hospital care as well as prescriptions. If you are a retiree with prescription drug coverage, look for information from your former employer or union this fall about how they will work with Medicare and what you should do. The following discussion points will help guide your decision.



### 1 Coverage.

Medicare prescription drug coverage is insurance that covers both brand-name and generic prescription drugs at participating pharmacies in your area. Each plan has to provide access to medically necessary prescription drugs. Compare plans on how they meet your needs.

## 2 Cost.

Plans may have a monthly premium, deductible or copayments, and may set a limit on what they will pay. So compare monthly premiums and determine copayments and yearly deductible. Plans will also discount the price of the drugs they cover. With Medicare's new drug coverage, a typical person with Medicare, who has no prescription drug coverage today, will save about 50% on prescription drug costs.



## 3 Convenience.

Prescription drug plans contract with local pharmacies. Look for conveniently located pharmacies that participate in the Medicare prescription drug program. Also note that some plans offer prescriptions through the mail.

## 4 Peace of mind. Now and in the future.

Even if you do not take a lot of prescription drugs now, it's still good to consider joining. As we age, most people need prescription drugs to stay healthy. Signing up for Medicare prescription drug coverage today can help protect your savings from high prescription drug costs often associated with major health problems such as heart disease and cancer. Should yearly out-of-pocket drug costs exceed \$3,600, Medicare will pay up to 95% of the bill.





## Questions? Need more information? Medicare is here to help.

There are many ways you can get helpful information and answers to your questions about drug plans in your area.

### **In person, in your community.**

Medicare is working in communities across the country to ensure you will have access to information about this new benefit. You can also receive free, personalized assistance in comparing plan choices from your State Health Insurance Assistance Program.

### **On the Web.**

Starting October 13, 2005, a new, easy-to-use comparison tool will be available on [www.medicare.gov](http://www.medicare.gov). You can use this tool to compare plans based upon your needs.

### **Over the phone.**

Call **1-800-MEDICARE** (1-800-633-4227) to talk to a Medicare representative, 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.





## Thanksgiving — A Great Time to Pull Up a Chair and Talk.

Any time is a good time to talk about Medicare prescription drug coverage. A *great* time is Thanksgiving weekend. When the games are over and the dishes are cleared, when you gather around the kitchen or dining room table to catch up, take a few minutes to talk about this important coverage. It could change the life of someone you love.

## Look for the *Medicare & You 2006* handbook in October.

Medicare will send *Medicare & You 2006*, the official Medicare government handbook, to every Medicare household. This handbook explains in detail what prescription drug coverage means to everyone with Medicare.





CLIP AND SAVE, OR STICK IT ON YOUR FRIDGE:

## Important dates to remember.

October 2005

Watch the mail for the *Medicare & You 2006* handbook and information from insurance and other private companies about the prescription drug plans they offer.

November 15, 2005

First day you can join a plan.

January 1, 2006

Coverage begins for those who join by December 31, 2005.

May 15, 2006

Last day to join a plan without paying a higher premium later.



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CMS Pub. No. 11160

5 Simple Steps:

[Click here to go back](#)

Step 2: Determine current coverage

[Click here to learn more](#)

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## “A National Conversation – Friends and Family First”



To get started, find the statement that describes you.

**“I have Original Medicare only, or Original Medicare and a Medigap (‘Supplement’) Policy without drug coverage.”**

If you use an average amount of prescription drugs, Medicare’s new prescription drug coverage could pay over half of your drug costs next year. If you have very high drug costs, Medicare will pay up to 95% of these costs after you spend \$3,600 out-of-pocket in a year.

**What you need to do:** To get this drug coverage, you can join a Medicare Prescription Drug Plan that covers prescription drugs only and keep your Original Medicare coverage the way it is. Or you can join a Medicare Advantage Plan or other Medicare Health Plan that covers doctor and hospital care as well as prescriptions. Medicare Advantage Plans usually give you extra benefits and/or lower costs, but only if you use the doctors and hospitals that participate in the plan’s “network.” If you do not opt for prescription drug coverage by May 15, 2006, you will have to pay a late enrollment penalty to get drug coverage later.



**“I have Original Medicare and a Medigap (‘Supplement’) Policy with drug coverage.”**

Medicare prescription drug coverage will generally provide significant savings compared to what you are paying in copayments for drugs under your Medigap plan, and will generally provide much better protection against high drug expenses as well.

**What you need to do:** Decide between keeping your Medigap policy with drug coverage or joining a Medicare plan that offers prescription coverage. Look for more information from Medicare and the plans offering drug coverage in your area in the fall, and compare the drug coverage from your Medigap plan to the new Medicare coverage. Unlike Medigap, most of the cost of Medicare drug coverage is paid by Medicare, and will never run out if you have high drug costs. Also, if you do not join a Medicare Drug Plan or a Medicare Advantage Plan that offers prescription drug coverage by May 15, 2006, you will have to pay a late enrollment penalty to get drug coverage later. If you opt for Medicare prescription drug coverage, tell your insurer and the drug portion of your Medigap policy will be removed.



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TTY 1-877-486-2048

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## “A National Conversation – Friends and Family First”

### **“I am a retiree and I have drug coverage through my (or my spouse’s) former employer or union.”**

Medicare will help employers or unions continue to provide retiree drug coverage that meets Medicare’s standard. Your former employer or union has choices about how they will work with Medicare.

**What you need to do:** Look for information coming from your former employer or union this fall.

This information will explain how they will work with Medicare on prescription drug coverage and what decisions you will have to make. If you do not hear from them, visit their website or call your benefits administrator.



### **“I have Medicare and Medicaid, and I get my drug coverage from Medicaid.”**

Starting January 1, 2006, you will get your prescription drug coverage from Medicare instead of Medicaid. The prescription drug coverage from Medicare has no premiums, no deductibles, and no gaps, and you will pay very little or nothing for almost all prescriptions.

**What you need to do:** Starting in the fall, you will need to decide which Medicare plan that offers prescription drug coverage you would like. If you do not sign up for a plan, Medicare will sign you up for one to make sure you do not miss a day of coverage. You can switch to a different plan if you choose.

### **“I have a Medicare Advantage Plan (like an HMO or PPO) or other Medicare Health Plan.”**

Medicare is working with Medicare Advantage and other Medicare Health Plans to help them provide even more coverage and/or lower costs. Your plan will let you know about the prescription drug options they will offer. You can also choose to switch to another Medicare Advantage Plan or Medicare Health Plan. Or you could choose the Original Medicare Plan and join a Medicare Prescription Drug Plan.

**What you need to do:** In October, look for information in the mail explaining any additional prescription drug coverage your plan will offer.



**Step 3: Gather information** — [Click here to learn more](#)

[www.medicare.gov](http://www.medicare.gov)

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## 5 simple steps:

### Step 3: Gather information

Gather this information from the person you are assisting:

- Medicare number.
- current prescriptions with dosage.
- name of local pharmacy or pharmacies.

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## 5 simple steps:

Step 4: Review your plan choices ————— **Drug Plan Finder Tool**

You can get personalized help either online or over the phone.

### Online

If you go online, visit [www.medicare.gov](http://www.medicare.gov) or go directly to the [Drug Plan Finder Tool](#). This tool was designed to help you compare drug plan choices.

-or-

### Over the phone

Call 1-800-MEDICARE (1-800-633-4227) or TTY users call 1-877-486-2048. Operators are available 24/7 and can walk you, your friend or your family member through the Plan Finder and provide personalized help in comparing and choosing a plan.

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## 5 simple steps:

Step 5: Enroll

[Click here to enroll](#)

If the person you are helping is ready to enroll, he/she can join a plan by:

- visiting [www.medicare.gov](http://www.medicare.gov) and clicking on the Enroll in a Medicare Prescription Drug Plan.
- calling 1-800-MEDICARE (1-800-633-4227).
- calling the Medicare drug plan you choose directly.

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