

## Making an Informed Decision About the

# New Medicare Prescription Drug Coverage

### Who is eligible for the new Medicare prescription drug coverage?

Everyone who is qualified for Medicare is eligible to join the new Medicare prescription drug coverage.

### I currently have prescription drug coverage. Should I join?

Having insurance for prescription drugs is very important, especially as we get older. If you have prescription drug coverage, you should contact the organization that provides it and ask them if the coverage you have is as good as or better than the new Medicare prescription drug coverage—they are required to provide you with this information. If your insurance is through medical assistance (Medicaid/Medi-Cal, etc.), your coverage will change to Medicare for prescription drugs. You will receive information in the mail about your plan options.

### I currently do not have prescription drug coverage. Should I join?

If you currently do not have prescription drug coverage, you should seriously consider joining. On average, the new Medicare prescription drug coverage will provide about \$1,300 in financial support. For a typical senior, that means Medicare will pay about half of his or her annual drug costs. For those who qualify for extra financial help, Medicare will pay up to 95% of their total drug costs.<sup>1</sup>

### Is Medicare prescription drug coverage affordable?

On average, the monthly premium will be about \$32 and sometimes even less, depending upon the specific plan you select. For those who qualify for extra financial help, the government will pay the entire monthly premium or some portion.<sup>2</sup>

### How do I know if I qualify for additional financial help with my prescription drugs?

About one third of people with Medicare will qualify for extra financial help. If you believe you qualify for this extra help and have not yet received an application, you should contact your local Social Security Administration office for an application.<sup>2</sup>

### What if I currently do not take any prescription drugs?

Medicare prescription drug coverage is an **insurance program** that protects you against unforeseen expenses (much like auto or homeowner's insurance). If you choose not to join at your first opportunity, you will pay more for prescription drug coverage if you choose to join later. You will not be able to join a Medicare drug plan or receive coverage until the start of the next calendar year. By beginning right away, you will take advantage of lower monthly premiums and secure the peace of mind of knowing that, if your needs for prescription drugs change, you are covered.

### How do I select a plan that is right for me?

Please see reverse side for resources to help you select the plan that is right for you.

## Valuable Information and Resources About the New Medicare Prescription Drug Coverage

**People with Medicare—or a family member or caregiver—will need the following information to help in making an informed decision.**

- Full name, address, state, and ZIP code
- Date of birth
- Medicare claim number (found on the Medicare card)
- Medicare Parts A and B effective date(s) (also found on the Medicare card)
- A list of current prescription medications, including dosage strengths, which can be found on the prescription label(s)

**If you believe you qualify for extra financial help, you will also need the following information.**

- Current monthly income from all sources
- Current assets from all sources for self and spouse (except primary residence and personal vehicle)

**Here are some additional resources.**

- **[www.Medicare.gov](http://www.Medicare.gov)** (official Medicare Web site)
  - The Medicare Drug Plan Finder located on this Web site can be used to identify the best plan for individual needs, to apply for extra financial help, and to join online. This should be the first place to look.
- **1-800-MEDICARE** (official Medicare hotline)
  - Customer service representatives are available 24 hours per day, 7 days per week to answer questions and to guide people with Medicare through the Medicare Drug Plan Finder. This is the alternative to using the official Medicare Web site.
  - The customer service representatives will mail a copy of the search results **ONLY** if requested while talking with them—so make sure to remember to ask them to mail the printout.
- **Medicare & You Handbook 2006** (official Medicare brochure)
  - CMS is mailing the handbook to all people with Medicare in October 2005. (also available at [www.Medicare.gov](http://www.Medicare.gov))
  - The handbook can be used to find basic drug coverage information, to learn how to select and join in a plan, and to apply for extra help, if needed.
- **State Health Insurance Assistance Program (SHIP)**
  - Call or visit the local SHIP office.

**References:** 1. The Centers for Medicare and Medicaid Services. Important facts for healthcare professionals. Available at: <http://www.cms.hhs.gov/medlearn/provtoolkit.pdf>. Accessed August 25, 2005.  
2. The Centers for Medicare and Medicaid Services. Medicare drug premiums will be lower than expected [fact sheet]. Available at: <http://www.cms.hhs.gov/media/press/release.asp?Counter=1530>. Accessed August 23, 2005.

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