

Medicaid program will no longer have their drugs paid for by Medicaid after December 31, 2005. People with Medicare who also get full Medicaid benefits will be automatically enrolled in a Medicare prescription drug plan by January 1, 2006 if they have not selected a plan on their own by December 31, 2005.

They will have the opportunity to switch to a different plan if they wish to do so after automatic enrollment. People with Medicare



who also get full Medicaid benefits will have access to assistance with premiums, deductibles and co-insurance costs.

Important Dates:

- ▶ **May-August 2005:** The Social Security Administration will contact people who have limited income and resources and who may qualify for “extra help” with premium, deductible and co-insurance costs under Medicare Part D.
- ▶ **June 2005:** Medicare will be sending out a letter to people with Medicare who are currently receiving Medicaid benefits, including those with the Medicare Savings Program, or who are receiving SSI (Supplemental Security Income) benefits. These people automatically qualify for the extra help with costs of Medicare Part D.
- ▶ **Fall 2005:** Medicare beneficiaries with other prescription drug coverage through sources such as an employer, union or Medigap insurance will receive a letter explaining the changes that will occur in

their coverage due to the implementation of Medicare Part D.

- ▶ **October 2005:** The federal government and private drug plans will provide information describing drug plan options and formularies to all Medicare beneficiaries. Private drug plans will begin marketing their products.
- ▶ **November 15, 2005 - May 15, 2006:** Medicare beneficiaries can enroll in Part D plans.
- ▶ **January 1, 2006:** Prescription drug coverage begins for those who enroll in a plan between November 15 and December 31, 2005.

Help Is Available!

If you have questions about Medicare Part D contact your county benefit specialist:

SeniorLAW/Legal Action of WI, Inc.
230 West Wells Street, Suite 800
Milwaukee, WI 53203
(414) 278-1222
www.seniorlaw.org

To find out more information about getting extra help with your prescription drug costs, call **Social Security** at **1-800-772-1213 (TTY 1-800-325-0778)** or visit www.socialsecurity.gov

Medicare Part D:

An Introduction to the New Medicare Prescription Drug Benefit



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What Is The Medicare Prescription Drug Benefit?

Beginning January 1, 2006, people with Medicare will have the option to enroll in a plan that covers prescription drugs. These plans offer prescription drug coverage, which is different from discounts that were offered by the Medicare-approved drug discount cards. This new benefit will be known as “Part D.”

Who Is Eligible?

Anyone with Medicare Part A (Hospital Insurance) and/or Part B (Medical Insurance) can join a Medicare prescription drug plan. A person must live in the service area of a prescription drug plan to enroll.

When Can I Join?

If you currently have Medicare Part A and/or Part B, you can join a Medicare prescription drug plan between November 15, 2005 and May 15, 2006. If you join by December 31, 2005, your Medicare prescription drug plan coverage will begin on January 1, 2006, and you will not miss a day of coverage. If you join after that, your coverage will be effective the first day of the month after the month you join.

Part D is a *voluntary* benefit. This means that an individual who receives Medicare benefits may choose to decline Part D coverage. However, if you join a Medicare prescription drug plan after May 15, 2006, you are likely to pay a higher monthly premium, unless you

currently have a drug plan that covers at least as much as a Medicare prescription drug plan. You will have to pay this higher premium as long as you have a Medicare prescription drug plan.

Who Will Provide Medicare Beneficiaries With Drug Coverage?

Drug coverage through Medicare Part D will be offered by private drug plans approved by the federal government. These plans will be offered by insurance companies and other private companies. In October 2005, Medicare beneficiaries will be provided information about the prescription drug plans that will be available in the area in which they live.

What Drugs Will Be Covered By Medicare?

Each Medicare prescription drug plan will develop a list of drugs it will cover, called a formulary. The government has not established a uniform list of drugs that every plan must cover, so consumers will have to compare the formularies offered by each plan available in their region. All plans must include coverage of certain drugs commonly prescribed to elderly and disabled people. Information about each private drug plan’s specific Part D coverage will be available in October 2005.



How Much Does It Cost?



Costs under Part D will vary according to a Medicare beneficiary’s plan choice, medication needs, and income level. Many Medicare beneficiaries will have to pay a monthly premium for Part D coverage (about \$37 in 2006) as well as a yearly deductible (up to \$250 for 2006) and other out-of-pocket costs. Each drug plan can create its own cost structure – within a certain framework created by the federal government. Some plans may offer more coverage and additional drugs for a higher monthly premium. Medicare beneficiaries with lower incomes and few assets as well as Medicare beneficiaries who also have Medicaid coverage, will receive assistance with out-of-pocket costs associated with Part D.

What Happens If I Have Other Prescription Drug Coverage?

Many Medicare beneficiaries have prescription drug coverage through sources such as an employer, union, Wisconsin SeniorCare, Medicaid and Medicare supplemental (Medigap) insurance. If you have drug coverage through one of these programs you will receive information explaining your benefit options in the Fall of 2005. Medicare beneficiaries who currently receive prescription drug coverage under the