CENTERS FOR MEDICARE & MEDICAID SERVICES

New Medicare Prescription Drug Coverage: A Message for People who Care for Someone with Medicare

Do you help someone with Medicare make health care decisions?

If you help a family member or friend make health care decisions, you should know about the new Medicare prescription drug coverage. Starting January 1, 2006, Medicare prescription drug plans will be available to help people with Medicare save money on prescription drugs. These plans will be offered by insurance companies and other private companies approved by Medicare. Plans will pay for both generic and brand name drugs.

All people with Medicare should consider this new coverage. For most people, coverage isn't automatic. To get this prescription drug coverage, most people with Medicare must choose and enroll in a Medicare prescription drug plan that meets their needs.

Note: If the person you care for has prescription drug coverage through a former employer or union, encourage him/her to talk to the benefits administrator. Your family member or friend will need to find out how his/her current drug coverage will work with Medicare before deciding whether to enroll in a Medicare drug plan.

If the person you care for has a Medicare Health Plan (like a Medicare Advantage Plan or Medicare Cost Plan), that plan may also offer drug coverage. The health plan will send your family member or friend a notice about prescription drug choices.

How can I help?

Help the person you care for choose a Medicare prescription drug plan that meets his/her needs, by doing the following:

This spring and summer:

- If your family member or friend has certain limited income and resources, the Social Security Administration (SSA) may mail an application this summer for extra help. You can help the person you care for fill out and return this application to SSA. If your family member or friend chooses you to act as his/her personal representative, you can fill out the application on his/her behalf. If the person qualifies, he/she will pay little or nothing for premiums or deductibles, and will have low copayments. If SSA doesn't send an application and you think your family member or friend may qualify for this help, call SSA at 1-800-772-1213. TTY users should call 1-800-325-0778. You can also visit www.socialsecurity.gov on the web. The person you care for can apply with SSA or the local Medicaid office any time after June 2005.
- In some cases, if your family member or friend gets help from the state to pay for health care costs (like Medicaid), he/she automatically qualifies and doesn't need to apply for extra help. Medicare will send a notice if this is the case.

This fall:

- Look over any current health insurance coverage that your family member or friend has. Are prescription drugs covered? What are the out-of-pocket drug costs?
- Make a list of the name, dosage, frequency, and cost of the prescriptions your family member or friend uses. Since different plans will cover different drugs, this will help determine which plan best meets your family member or friend's prescription needs.
- If you are the legal representative for the person you care for (such as through a Power of Attorney), you can enroll him/her in a Medicare prescription drug plan. You can also fill out the application to get extra help on his/her behalf.

Who can join a Medicare prescription drug plan?

Anyone with Medicare can join a Medicare prescription drug plan. Even if your family member or friend doesn't use a lot of prescription drugs now, he/she should still consider joining a Medicare prescription drug plan. For most people, joining during the initial enrollment period (see dates below) means paying a lower monthly premium than if they wait to join later.

When can someone join?

All people with Medicare can join a Medicare prescription drug plan between **November 15, 2005** and **May 15, 2006**. For people who join by December 31, 2005, coverage will begin on January 1, 2006. For people who join after December 31, coverage will be effective the first day of the month after the month they join.

People who join a Medicare prescription drug plan after May 15, 2006, will likely pay a higher monthly premium (at least 1% more per month for every month they waited to enroll) unless they have continuous drug coverage from another source that covers on average at least as much as a Medicare prescription drug plan. They will have to pay this higher premium as long as they have a Medicare prescription drug plan.

How much does a Medicare prescription drug plan cost?

Like other insurance, people who join a Medicare prescription drug plan will pay

- a monthly premium (generally around $37 in 2006, but can change yearly),
- a yearly deductible (up to $250 in 2006), and
- part of the cost of their prescriptions, including a copayment or coinsurance.

Costs will vary depending on the drug plan. Some plans may offer more coverage and additional drugs. If the person you care for has limited income and resources, and qualifies for extra help, he/she may not have to pay a premium or deductible.

For more information about Medicare prescription drug coverage, read the "Medicare & You 2006" handbook your family member or friend gets 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 the person you care for needs help choosing a Medicare prescription drug plan that meets his/her needs, together you can

- visit www.medicare.gov on the web. Select "Search Tools" to get personalized information. Or, select "Frequently Asked Questions" to get answers to common questions.
- call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486- 2048.
- call the State Health Insurance Assistance Program for face to face assistance (see the "Medicare & You 2006" handbook for the telephone number). You can also call 1-800-MEDICARE (1-800-633-4227) or visit www.medicare.gov on the web to get the telephone number.
- look for local Medicare-related events.

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