Frequently Asked Questions (FAQ) About the Medicare Prescription Drug Benefit (Part D)

Question #1. What is the new Medicare prescription drug benefit?

Answer: It is new prescription drug coverage available to people who have Medicare. Beginning January 1, 2006, if you enroll in a Medicare Prescription Drug Benefit Plan (also known as Medicare Part D), a portion of your prescription drug costs will be paid for by the Plan.

Question #2. Do I have to enroll in this program?

Answer: No. But if you don't, you may pay a higher premium later. Most Medicare beneficiaries must make a decision to enroll in a Medicare Prescription Drug Benefit Plan beginning November 15, 2005 through May 15, 2006, or risk having to pay a higher premium (see question #4). However, if you are currently receiving Medicare AND Medicaid (the Minnesota Medical Assistance program) or Medicare AND Supplemental Security Income, you will automatically be assigned to a Medicare Prescription Drug Benefit Plan. You may then opt out of this Plan or choose another.

Question #3. When do I need to sign up for the benefit?

Answer: All individuals entitled to Medicare Part A or enrolled in Part B can enroll in the Medicare Prescription Drug Benefit Plan from November 15, 2005 through May 15, 2006. After May 15, 2006, enrollment will only be allowed under special circumstances, and you may have to pay more for the same drug benefit because you enrolled late.

If you become eligible for Medicare after November 15, 2005, Medicare will inform you of the dates of your six-month enrollment period.

Question #4. Can I wait a year to see how this new program goes before I enroll?

Answer: You could, but then you may have to pay more for the Medicare Prescription Drug Benefit. The longer you wait to enroll after May 15, 2006, the more you may have to pay for the premium.

Question #5. How do I get the new drug benefit?

Answer: You can enroll with the plan of your choice beginning November 15, 2005. You will have at least two plans to choose from, perhaps more. You may compare plans and choose the one that is best for you by going to www.Medicare.gov or by calling the Minnesota Senior LinkAge Line® at 1-800-333-2433. The Senior LinkAge Line® is the State Health Insurance Assistance Program (SHIP) for all Minnesota Medicare beneficiaries and is designated by the Centers for Medicare & Medicaid Services to provide Medicare assistance.

Question #6. How much will it cost?

Answer: If you do not qualify for extra help with Medicare Prescription Drug Benefit Plan costs, you will pay a monthly premium, an annual deductible, and co-payments, which will vary according to the plan you choose and where you live. Under the standard plan, individuals will pay an estimated premium in 2006 of $37 every month and a $250 deductible before Medicare starts helping with costs. After you have paid $3600 for your prescriptions in a year, your Medicare Prescription Drug Benefit plan may pay 95% or more of the costs for your prescriptions for the rest of the year.

Question #7. Will all plans cost the same?

Answer: Probably not. Each plan can decide to provide more than one option which may have a higher premium and more coverage. Each plan must have a total package of benefits that is of equal value to the standard plan. However, no matter which plan you choose your total payments for prescription drugs during the year will be no more than $3,600, after which the Medicare Prescription Drug Benefit plan pays 95% or more of the cost of your prescriptions for the rest of the year.

Question #8. Will all plans offer the same drugs?

Answer: No. The drugs covered may vary from plan to plan, so you will need to make sure that the plan you choose covers the drugs that you need.

Question #9. How much will I save?

Answer: The amount you save will depend on your drug costs, your income, and the discounts that your drug benefit plan negotiates for the drugs that you take. If you spend more than $694 per year on drugs (which equals the 2006 estimated $444 yearly premium + $250 standard deductible), then you will likely save on your drug costs. It is important to keep in mind that your drug costs may increase as you grow older, or if you become sick, so while you may not need coverage now, you may want it later. Enroll now (no later than May 15, 2006) to avoid paying increased premiums later.

Question #10. Is there any additional assistance for persons with disabilities or low-income elderly Medicare enrollees?

Answer: Extra help paying for Medicare Prescription Drug Benefit Plan costs is available. If your income is less than about $14,000 (or less than about $18,800 for couples) and your assets are less than $10,000 ($20,000 for couples), you may qualify for this extra help. Assets that are counted include: savings accounts, stocks, bonds, real estate, and life insurance, excluding your home and car.

Some people may automatically qualify for extra help. If you receive supplemental security income benefits (SSI), prescription drug coverage from the Minnesota Medical Assistance program, or are enrolled in a Medicare Savings program (QMB, SLMB, QI), or Minnesota Prescription Drug Program, you will automatically qualify for extra help and do not need to complete an application.

Question #11. How can I find out if I qualify for the extra help with my Medicare Prescription Drug Benefit Plan costs?

Answer: You can apply for extra help by completing the Social Security Administration's "Application for Help with Medicare Prescription Drug Plan Costs." Beginning July 1, 2005 you can apply over the Internet at www.socialsecurity.gov or by calling SSA at 1-800-772-1213. Applications will be available at many community sites. You can also obtain an application form by calling the Senior LinkAge Line® at 1-800-333-2433. Senior LinkAge Line® has staff and volunteers available to assist you with completing the application form.

If you want to find out if you automatically qualify for extra help because you are enrolled in the Minnesota Medical Assistance program, contact your local county social service office.

Question #12. Can I keep my Medigap policy?

Answer: If you have a Medigap plan (Medicare supplemental policy or Medicare Select Plan) that includes prescription drug coverage and you keep that plan, you cannot enroll in the Medicare Prescription Drug Benefit. If you would prefer to enroll in the Medicare Prescription Drug Benefit, you may either continue your existing Medigap plan without the prescription drug coverage (with a lower premium) OR you may enroll in a Medigap policy that does not offer prescription drug coverage. If your Medigap drug benefit is at least equal in value to the Medicare Prescription Drug Benefit, you may keep your Medigap plan without risk of having to pay a higher premium for the Medicare Prescription Drug Benefit. Your Medigap plan must tell you whether it is equal in value to the Medicare Prescription Drug Benefit. If you keep your current Medigap policy that is of LESSER value than the Medicare Prescription Drug Benefit, you may have to pay a higher premium if you decide to enroll in the Medicare Prescription Drug Benefit at a later date.

Question #13. I am enrolled in Tricare—will my military retiree or veterans' drug benefits change?

Answer: No. Military retirees and their dependents can choose to stay in Tricare-for-Life, and veterans may get drugs through the Veterans Affairs health system if they are enrolled in it. You can later decide to enroll in the Medicare Prescription Drug Benefit without paying a higher premium.

Question #14. I am a retiree covered by my former employer or union plan—can I still get the Medicare Prescription Drug Benefit?

Answer: Yes. You can choose to keep your retiree coverage or switch to Medicare Prescription Drug Benefit. In order for you to make the right choice, your former employer or union must tell you if they intend to continue offering drug coverage in your retiree plan, if the coverage is as complete as the Medicare Prescription Drug Benefit coverage, and whether the plan will receive a subsidy for continuing the drug coverage. To ensure you make the right choice, call your employer or union benefits department.

Question #15. I have Medical Assistance, can I stay with it?

Answer: You will no longer be able to get your prescription drugs through Medicaid – the Minnesota Medical Assistance program (a few exceptions may apply). Medicare will provide your prescription drug benefit beginning in 2006. Medicare may pay for your prescription drug costs, except for co-payments that could range between $1 and $5, depending on your income and if the drug is generic or a brand name. You may not need to pay co-payments after your total drug expenses reach about $5100. If you do not enroll in a plan by January 1, 2006, you will be assigned to a plan.

Question #16. What will happen to the Minnesota Prescription Drug Program?

Answer: This will depend on what happens during the state legislative session, but current Prescription Drug Program enrollees will automatically be eligible for the extra help paying Medicare Prescription Drug Benefit Plan costs described in question #10.

Question #17. Can I get discounted drugs from a manufacturer-sponsored program if I sign up for the new benefit?

Answer: This will depend on the manufacturer's policy. Many pharmaceutical companies limit their patient assistance programs to low-income individuals who do not have access to drug coverage. Such programs may exclude Medicare beneficiaries starting in 2006. You should contact the company to find out how they are planning to respond to the new Medicare Prescription Drug Benefit (also known as Medicare Part D).

Question #18. Do I have to change pharmacies?

Answer: You may have to change pharmacies, depending on your Medicare Prescription Drug Benefit plan. Some plans may have a limited pharmacy network. You need to check the network of pharmacies in different plans to see if your pharmacy is included.

Question #19. Can I switch Medicare Prescription Drug Benefit plans if I don't like the one I'm in?

Answer: You may switch plans once a year, between November 15 and December 31, beginning in 2006. If you switch plans, your new coverage will begin the following calendar year. For example, if you complete the paperwork to switch plans on November 29, 2006, you will be enrolled in a new plan as of January 1, 2007. There are some special circumstances where you may get a special enrollment period.

Question #20. Does the Medicare Prescription Drug Benefit pay for all drugs?

Answer: No. While Medicare Part D covers most drugs, it does not cover all drugs. Each plan will have a list of drugs that are covered (called a "formulary"). Your plan will have a process for you to request an "exception" to receive coverage for medically necessary drugs not on the formulary. Some drugs will continue to be covered under Medicare Part B.

Question #21. What if the drug my doctor prescribed is not on the list of drugs covered in my plan ?

Answer: You or your doctor can request that your plan pay for a medically necessary drug not on the

plan's formulary, or drug list. If your plan refuses to pay, there is an appeal process. Drugs listed as "excluded" from your plan cannot be appealed. If your appeal is denied, you will be responsible for paying the full cost of any drug that is not on the formulary. This cost will not be counted toward the annual $3,600 out-of-pocket amount.

Question #22. What is Medicare Advantage and how does the new benefit work with those plans?

Answer: Medicare Advantage is the new managed care program that is replacing Medicare+Choice. Medicare Advantage plans may offer a combination of health coverage and the Medicare Prescription Drug Benefit, and perhaps additional benefits not offered by traditional Medicare, such as dental or vision care. Most Medicare Advantage plans will require you to choose a doctor in the plan's network or pay more to go to an out-of-network doctor. During open enrollment in the fall of each year, you can choose whether you want to stay in a Medicare Advantage plan, switch to a different Medicare Advantage plan, or return to traditional Medicare.

Question #23. What if my plan charges me a different price for the same prescription each time I get a refill?

Answer: Your plan sets the discount price you pay for each drug based on the negotiated price it gets from manufacturers, discounts from pharmacies, and the preferred drugs selected by the plan. Your cost for the same drug throughout the year may vary, depending on whether you are still paying the deductible, or if you have completed the initial coverage, or have reached the annual out-of-pocket limit of $3,600.

Still have questions? Start here.

1-800-333-2433

Senior LinkAge Line® Disability Linkage Line™

Social Security Administration
1-800-772-1213 • www.socialsecurity.gov

www.Medicare.gov • 1-800-Medicare

Your current health plan's customer service department.

This information is available in other forms to people with disabilities by contacting us at 651-296-2770 or 1-800-882-6262 or through the Minnesota Relay Service at 711 or 1-800-627-3529 (TDD), 1-877-627-3848 (speech-to-speech relay service).

Attention. If you want free help translating this information, call Senior LinkAge® Line at 1-800-333-2433.

ملاحظة: إذا أردت مساعدة مجانية في ترجمة هذه المعلومات، فاتصل على الرقم Senior LinkAge Line® 1-800-333-2433.

កំណត់សំគាល់ បើអ្នកចង់បានជំនួយបកប្រែពត៌មាននេះដោយមិនគិតថ្លៃ សូមទូរស័ព្ទទៅ Senior LinkAge® Line 1-800-333-2433 ។

Pažnja. Ako vam je potrebna besplatna pomoć za prevod ove informacije, nazovite Senior LinkAge® Line 1-800-333-2433.

Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu Senior LinkAge® Line 1-800-333-2433.

ໂປດຊາບ. ຖ້າຫາກທ່ານຕ້ອງການ ການຊ່ວຍເຫຼືອໃນການແປຂໍ້ຄວາມຄັ້ງການີ້ຟຣີ, ຈົ່ງໂທຣະຫາ Senior LinkAge® Line 1-800-333-2433.

Hubaddhu. Yoo akka odeeffannoon kun sii hiikamu gargaarsa tolaa feeta ta'e, lakkoofsi bilbiltu Senior LinkAge® Line 1-800-333-2433.

Внимание: если вам нужна бесплатная помощь в переводе этой информации, позвоните Senior LinkAge® Line 1-800-333-2433.

Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la'aan ah, wac Senior LinkAge® Line 1-800-333-2433.

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Chú Ý. Nếu quý vị cần dịch thông-tin nầy miễn phí, xin gọi Senior LinkAge® Line 1-800-333-2433.