

# Medicare Prescription Drug Coverage facts

## Why should people sign up for Medicare Prescription Drug Coverage?

- >> The average person in Medicare could see their total prescription drug costs drop by 50%
- >> Qualified people with limited income and resources will have almost no prescription drug expenses

## Eligibility

- >> Anyone in Medicare (has Part A and/or enrolled in Part B)

## Extra help with Medicare Prescription Drug Coverage costs (low income assistance)

- >> Individuals qualify for extra help paying for their prescription drugs if:
  - single person** – annual income below \$14,355 and resources under \$11,500
  - married couple** – annual income below \$19,245 and resources under \$23,000
- >> Individuals should fill out and return an application immediately (see “Limited income and resources or no coverage” on reverse side)

## Enrollment

- >> Individuals can join a Medicare prescription drug plan from November 15, 2005, through May 15, 2006, without facing a late penalty on premiums
- >> Getting Medicare Prescription Drug Coverage is a two-step process:
  - 1 >> **Compare** (starting October 2005 when plans are announced)

People should compare plans (there will be several) and select a plan that best meets their prescription drug needs
  - 2 >> **Join** (starting November 15, 2005)

People can join their chosen plan through the Internet or by calling the plan sponsor

If they join by December 31, 2005, their new coverage will begin on January 1, 2006 – *coverage will not begin until an individual has joined a prescription plan*

If they join between January 1, 2006 and May 15, 2006, coverage starts the first day of the month after they join a plan

## Key dates

**Now** • Applications for extra help paying for prescription drugs are available from Social Security offices or online at [www.socialsecurity.gov](http://www.socialsecurity.gov) for individuals with limited income and resources

**July 2005** • SSA began processing applications for individuals who have applied for extra help paying for prescription drugs

**August 2005** • SSA began sending letters to those who applied for extra help to inform them if they qualify

**September 2005** • Individuals with prescription drug coverage through Medigap, private insurance, employers or unions begin receiving notice of their options from their provider

**October 2005** • Medicare's prescription drug plans are announced (there will be several plans to choose from)

- The “Medicare & You” 2006 handbook is mailed to Medicare beneficiaries
- Information sent to people with Medicare and Medicaid about how they will be automatically enrolled in a plan if they do not choose one on their own

**November 15, 2005** • Individuals can join a plan by calling the plan sponsor or through the Internet

**December 31, 2005** • the EPIC program and Medicaid's pharmacy benefit for people in Medicare end

**January 1, 2006** • Coverage begins for people in Medicare who previously had Medicaid's pharmacy benefit and for anyone who has joined a plan

**May 15, 2006** • Last day to join a Medicare prescription drug plan without facing a penalty charge on premiums (*some exceptions apply*)

**November 15 - December 31, 2006** • annual open enrollment for Medicare Prescription Drug Coverage

## How this affects specific individuals...

### Medicare and Medicaid (dual eligible):

- >> These individuals will be automatically enrolled into the new Medicare program – Medicaid will no longer provide their prescription drug coverage
- >> They will automatically qualify for extra help paying for prescription drugs – they do not need to fill out an application from Social Security
- >> They will be notified via mail which plan they are placed into (October 2005)
- >> They should review the plan in which they are placed to make sure their necessary prescription drugs are included in the plan, and switch plans if needed (these individuals can switch plans at any time)

### Private prescription coverage, prescription coverage through an employer or union, prescription coverage through a Medigap policy

- >> These individuals will be notified by their current coverage provider if their current coverage is as good as the new Medicare Prescription Drug Coverage, and what their rights and options are (October 2005 - November 15, 2005)
- >> When Medicare prescription drug plans are announced in October 2005, they should compare their existing plan to the Medicare prescription drug plans and select the coverage that best meets their needs
- >> If they select Medicare coverage, beginning November 15, 2005, they need to join their selected plan through the Internet or by calling the plan sponsor

### EPIC

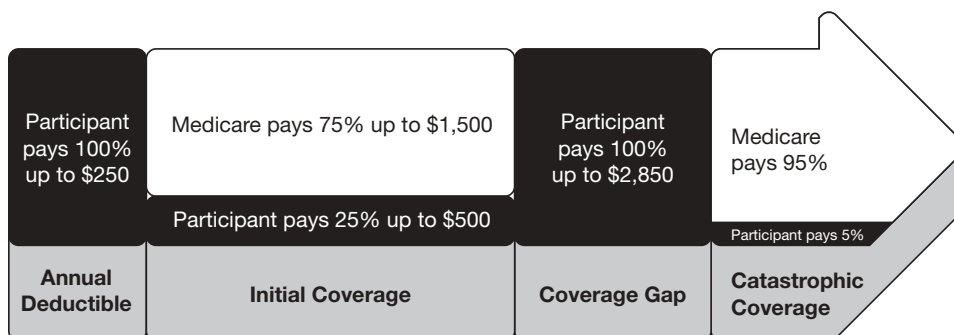
- >> The EPIC program will end on December 31, 2005
- >> EPIC participants will not be auto-enrolled into the Medicare coverage
- >> Follow the steps listed under “Limited income and resources or no coverage”

### Limited income and resources or no coverage

- >> Qualifying individuals (see “Extra help with Medicare prescription drug costs” on the other side) should fill out and return an application from Social Security to qualify for help paying for prescription drugs
- >> Individuals who submit an application will be notified of their eligibility for extra help by Social Security
- >> When plans are announced in October 2005, they should compare plans and select a plan that best meets their prescription drug needs
- >> Beginning November 15, 2005, they need to join their selected plan through the Internet or by calling the plan sponsor

## Out of pocket expenses – Medicare Prescription Drug Coverage

Chart does not include monthly premiums or extra help paying for prescription drugs



## Resources for service providers

### Centers for Medicare and Medicaid Services

1-877-267-2323  
[www.cms.hhs.gov/medicarereform/](http://www.cms.hhs.gov/medicarereform/)

### Medicare

1-800-MEDICARE  
[www.medicare.gov](http://www.medicare.gov)

### Social Security Administration

1-800-732-1213  
[www.ssa.gov](http://www.ssa.gov)

### Michigan Health Resources

[www.mihealth.org](http://www.mihealth.org)

## Resources for beneficiaries and caregivers

For eligibility questions contact:

### Medicare

1-800-MEDICARE  
[www.medicare.gov](http://www.medicare.gov)

For questions about extra help paying for prescription drugs, contact:

### Social Security Administration

1-800-732-1213  
[www.ssa.gov](http://www.ssa.gov)

For other questions and general information about Medicare Prescription Drug Coverage contact:

### MMAP

1-800-803-7174  
[www.mymmap.org](http://www.mymmap.org)

**MMAP** (Michigan Medicare/Medicaid Assistance Program), is a non-profit organization supported by the federal **Centers for Medicare and Medicaid Services**, the **Michigan Department of Community Health** and the **Michigan Office of Services to the Aging**.

## Information provided by:



Michigan Medicare/Medicaid Assistance Program



LOCAL HELP FOR PEOPLE WITH MEDICARE



Jennifer M. Granholm, Governor  
Janet Oiszewski, Director

MMAP's toll-free help line for beneficiaries/caregivers

**1-800-803-7174**