

FOR PHYSICIANS

Centers for Medicare and Medicaid Services (CMS) prescription drug coverage information for physicians

www.cms.hhs.gov/medlearn/drugcoverage.asp

CMS MedLearn materials on Medicare-approved drug discount cards

<http://www.cms.hhs.gov/medlearn/drugcard.asp>

FOR PATIENTS

Enrollment and plan selection information for patients

www.medicare.gov

Social Security Administration – “Help with Prescription Drug Costs”

www.socialsecurity.gov/prescriptionhelp

SeniorCare Illinois (formerly Circuit Breaker)

www.seniorcareillinois.com

Illinois KidCare (State Children’s Health Insurance Program (SCHIP)) www.kidcareillinois.com

Partnership for Prescription Assistance www.pparx.org

IMPORTANT PHONE NUMBERS

■ Prescription drug benefit questions:
800-MEDICARE (800-633-4227)

■ Low income assistance requirements:
800-772-1213

■ SeniorCare Illinois: **800-252-8966**

■ Illinois KidCare: **866-468-7543**

Fraud Prevention Notice

Never disclose any identifying or financial information over the phone. This includes social security/Medicare numbers, credit card numbers, bank account numbers, and place of residence.

Seniors may receive unsolicited calls from companies offering Medicare Part D coverage. While this is allowable, seniors should never disclose personal information to a representative over the phone. Request mailed literature instead. There is no charge for enrolling in a Medicare Part D plan.

Seniors who suspect fraud should call the Illinois Consumer Fraud Hotline:

Chicago
800-386-5438, 800-964-3013 (TTY)

Springfield
800-243-0618, 877-844-5461 (TTY)

published 11/05

Medicare Part D Benefit Enrollment Information

Medicare’s Prescription Drug (Part D) benefit begins coverage on Jan. 1, 2006. Beneficiaries must select and join a Medicare drug plan in order to receive prescription drug coverage.

Beneficiaries may feel overwhelmed by the sheer number of prescription drug plans competing for their business. ISMS created this brochure so that physicians may share tips for selecting prescription drug coverage with Medicare beneficiaries.

Medicare Part D Basics

Q. When may beneficiaries enroll in Medicare Part D?

A. Beneficiaries may enroll beginning Nov. 15, 2005. The initial enrollment period will last until May 15, 2006.

Seniors not yet eligible for Medicare benefits will be able to enroll in Medicare Part D at their time of enrollment in the Medicare program.

Q. Will beneficiaries be able to change drug plans?

A. Yes. Beneficiaries with Medicare Part D drug coverage will be able to change plans from Nov. 15-Dec. 31 of each year, as well as during special enrollment periods. These may be triggered by admission to a long term care facility or moving outside a plan’s coverage area, etc.

(continued, next page)

Please copy
and share
with patients



Illinois
State
Medical
Society



Q. Can beneficiaries enroll after May 15, 2006?

- A.** Yes. However, beneficiaries who do not have coverage equal to (or better than) Medicare's basic benefit will incur a financial penalty, which will be calculated by taking 1% of the average national monthly premium. It will accrue at the rate of 1% for every month that passes until coverage begins.

For example, a beneficiary who delays enrollment until Nov. 15, 2006, will incur a penalty of at least 7%, based on the seven month lapse between the original deadline and the soonest possible coverage date – Jan. 1, 2007. The penalty will be factored into the chosen plan's monthly premium and could last for the senior's lifetime.

Some experts recommend that beneficiaries in good health enroll in a low-cost drug plan now, so they can switch into a more comprehensive plan later without incurring a late enrollment penalty.

Seniors not yet eligible for Medicare benefits will be able to enroll in Medicare Part D, without incurring a penalty, at their time of enrollment in the Medicare program.

Q. Will beneficiaries be assessed the late enrollment penalty if their employer drops their drug coverage?

- A.** Beneficiaries with employer coverage that is equal to (or better than) Medicare's basic benefit will be exempt from the financial penalty if they enroll in Medicare Part D after their employer drops coverage.

Beneficiaries with employer or retiree coverage should receive a notice comparing their current coverage with Medicare Part D.

Tips for Choosing a Prescription Drug Plan

Every senior should make a decision about Medicare Part D participation based on his or her unique circumstances (e.g., health and family history; current drug regimens; premium affordability, etc.).

Tabulate all prescription medications taken in a typical month. The list should include drug name, quantity, dosage, price and co-pay, if applicable.

By estimating annual medication costs and identifying other factors, beneficiaries should be able to narrow down the selection of available plans using the following criteria:

Covered drugs (formulary)

Each Medicare-approved drug plan must cover at least two drugs from each category and class of the most commonly prescribed prescription drugs. Beneficiaries who prefer a current prescription drug brand should review formularies carefully – covered brands will differ by plan.

Prior authorization requirements

Some plans impose restrictions on more expensive drugs, requiring physicians to seek "prior approval" before they can be prescribed. Plans that require excessive authorizations for preferred medications may not be suitable or convenient.

Verify participating pharmacies

Some pharmacies may not be in a drug plan's network, meaning that seniors may have to travel longer distances to fill prescriptions or use mail order services.



Annual costs and coverage

According to Medicare's minimum requirements for all plans, beneficiaries should expect to pay a monthly premium, as well as the first \$250 in drug costs (the deductible).

After the deductible has been met, beneficiaries will pay:

- \$500 (25%) of the next \$2,000 in annual drug costs (plan pays remaining 75%).
- The next \$2,850 (100%) of additional \$2850 in drug costs. (By default, plans pay 0% of this portion.)

Beneficiaries concerned about this gap in coverage (known as the "donut") should look for plans that offer "donut coverage" (additional premiums may apply).

- After the beneficiary has paid \$3,600 in out-of-pocket drug expenses, the plan will pay 95% of all remaining expenses with no limit.

Compare "stand alone" plans vs. Medicare Advantage HMO plans

The currently advertised "stand alone" plans are separate from Medicare Part B and Medicare supplemental insurance plans. If a beneficiary in a Medicare Advantage plan opts for "stand alone" prescription drug coverage, he or she will have an additional invoice to pay each month.

Beneficiaries may wish to consider their Medicare Advantage plan's drug coverage in order to "streamline" their benefits and monthly payments.