

## Which are the important dates to remember?

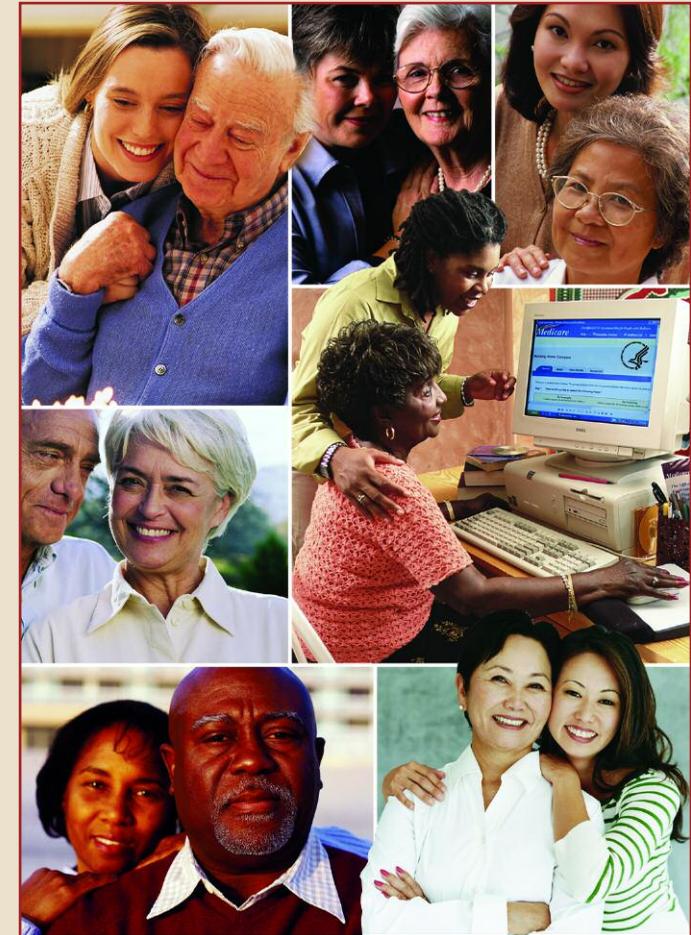
October 2005	All Medicare households will receive the <i>Medicare &amp; You</i> handbook with more information on the options and how to join.
October 2005	Patients start comparing plans on <a href="http://www.medicare.gov">www.medicare.gov</a> or by calling 1-800-MEDICARE.
November 15, 2005	Enrollment begins.
January 1, 2006	Coverage begins for those who join by December 31, 2005.
May 15, 2006	Last day to join a plan without paying a penalty. Medicare recipients will be able to enroll again beginning in November 2006, but they may pay higher premiums, and coverage will not begin until January 2007.



## SPECIAL COMMUNICATION FOR HEALTH CARE PROFESSIONALS

# MedicareRx

## Prescription Drug Coverage



MedicareRx  
Prescription Drug Coverage



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## How does the coverage work?

- Medicare Prescription Drug Coverage is a voluntary Medicare program that helps pay for both brand name and generic prescription drugs at participating area pharmacies.
- Private companies provide the coverage. Patients choose a drug plan and pay a monthly premium. Medicare covers a percentage of your patient's annual drug cost.
- Medicare Prescription Drug Coverage enrollment begins November 15, 2005. Coverage starts January 1, 2006.
- Patients will have to choose the plan that meets their needs.
- Some people may not wish to change the way they get prescriptions drugs today. However, it is always best for patients to compare plans and see what works for them in the short and long term, before they make a decision.

## If your patients are healthy, do they need the coverage?

- Signing up for the Medicare Prescription Drug Coverage now will help protect healthy patients from very high prescription bills in the future. This plan offers catastrophic coverage.
- Early sign-up is less expensive. If patients enroll when they are first eligible, they will get a penalty-free premium.
- Some patients may have current prescription drug coverage that is, on average, as good as or better than Medicare coverage. If these patients decide to join a Medicare Prescription Drug Plan at a later date, they too will get a penalty-free premium.

- People with Medicare who do not enroll in a drug plan when they are first eligible are likely to have to pay a penalty if they choose to enroll in a drug plan later.

## How much will be covered?

- As with other insurance plans, *the patient* will assume some of the costs. Individual costs will vary by plan and region. Costs will also vary depending on current patient coverage (i.e. Medigap, Medicare Advantage, Medicaid, retiree). Standard Medicare coverage costs include:
  - a. a monthly premium that averages \$32
  - b. a deductible of \$250
  - c. 25% of the cost of drugs from \$250 to \$2,250 a year
  - d. 100% of the costs between \$2,250 and \$5,100
  - e. 5% of the cost of drugs in the amount higher than \$ 5,100 a year
- Additional financial help is available to patients with limited income and financial resources by filling out a form from the Social Security Administration at [www.ssa.gov/prescriptionhelp](http://www.ssa.gov/prescriptionhelp) or calling 1-800-772-1213. This additional help reduces the amount of out-of-pocket costs.



## How does your patient select a plan?

- Patients have to make a choice among the prescription drug plans available in their area.
- Patients should look for:
  - Coverage:** Verify that their prescription drugs are covered in the plans.
  - Convenience:** Find out if the pharmacies they use are part of the plan network.
  - Costs:** Compare monthly premium fees.
  - Peace of mind:** Coverage that protects them from higher prescription drug costs in the future.



- If your patient needs additional information to help make a choice, they can call 1-800-MEDICARE to get the assistance needed in either English or Spanish.
- In October, information about which plan will work for patients will be available by going to [www.medicare.gov](http://www.medicare.gov) where a Medicare Rx Drug Plan Finder allows them to select a plan based on cost, convenience and the medicines they take.
- The "Making a Decision about the Medicare Prescription Drug Coverage" tear-off sheet offers your patients access to personalize counseling and detailed information on making a decision about the plan that works for them. It is a great tool for you to help them without having to invest significant time covering the subject.

## What impact does the Prescription Drug Coverage have on prescribing practices?

- Medicare will ensure that all formularies include a broad range of medically appropriate drugs to treat all diseases.
- Medicare has to approve all changes to formularies. Beneficiaries and providers will be notified at least 60 days in advance in the event of deletions or higher cost sharing.
- All plans will have mechanisms to allow all non-formulary drugs to be provided through an appeals and exceptions process.
- Formularies must include at least two drugs from each United States Pharmacopeia (USP) category and class (if two drugs exist). Individual formulary classification structures will be carefully examined to ensure that they include drugs from a sufficient breadth of categories and classes.
- Six drug classes of special concern have been specified in which all drugs will be on formulary: anti-neoplastics, anti HIV/AIDS drugs, immunosuppressants, anti-psychotics, anti-depressants and anti-convulsants.

