

**Last Updated: September 8, 2005**

## **Basic Information**

### **What is Medicare Prescription Drug Coverage?**

Medicare prescription drug coverage is insurance provided by private companies that have been approved by Medicare. Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare. This drug coverage may help lower prescription drug costs and help protect against higher costs in the future.

You can get Medicare prescription drug coverage in the following ways:

1. Through Medicare Advantage Plans or other Medicare Health Plans that are offering coverage for prescription drugs.
2. Through Medicare Prescription Drug Plans, which add coverage to the Original Medicare Plan, and some Medicare Cost Plans and Medicare Private Fee-for-Service Plans.

You can choose and join the Medicare drug plan that works for you. You will have to pay a monthly premium. All drug plans must provide coverage that is at least as good as standard Medicare prescription drug coverage. Some plans might offer more coverage and additional drugs for higher monthly premiums. If you decide not to join a Medicare drug plan when you are first eligible, you may have to pay a penalty if you decide to join later.

If you have limited income and resources, you may qualify for extra help. Most people who qualify for this extra help will pay no premiums, no deductibles, and no more than \$5 for each prescription. The amount of extra help depends on your income and resources. If you qualify, you will need to join a plan to get drug coverage. If you apply and qualify, and don't join a plan, Medicare will enroll you in one by May 15, 2006 to make sure you get this important coverage.

### **What if I already have prescription drug coverage?**

If you already have prescription drug coverage, you should talk to your plan, benefits administrator, or insurer before making any changes. You will be notified about any changes in your current coverage so you can decide if you should join a Medicare drug plan.

### **Is this Medicare prescription drug coverage better than what I have now?**

If you already have prescription drug coverage through a Medicare private health plan or other insurance, check with your current plan to see if this coverage is changing. Your plan or insurer will notify you in the fall of 2005 to let you know if your coverage pays, on average, at least as much as standard Medicare prescription drug coverage or if it is changing.

### **Do I have to join a Medicare drug plan?**

No. Joining a Medicare drug plan is your choice.

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### **Should I join a Medicare drug plan even if I don't take many prescription drugs?**

You should still consider joining a Medicare drug plan in 2006. As we age, most people need prescription drugs to stay healthy. For most people, joining now means you will pay the lowest possible monthly premium. If you don't join a plan by May 15, 2006, and you don't currently have a drug plan that, on average, covers at least as much as standard Medicare prescription drug coverage, you will have to wait until November 15, 2006 to join. When you do join, your premium cost will go up at least 1% per month for every month that you wait to join. Like other insurance, you must pay this penalty as long as you have Medicare prescription drug coverage. If you join by December 31, 2006, your coverage will begin January 1, 2007.

### **How do I join a Medicare Prescription Drug Plan?**

You can join a Medicare Prescription Drug Plan in the following ways:

By paper application. Contact the company offering the drug plan you choose and ask for an application. Once you fill out the form, mail or fax it back to the company.

On the plan's website. Visit the drug plan company's website. You may be able to join online.

On Medicare's website. You will also be able to join a drug plan at [www.medicare.gov](http://www.medicare.gov) on the web using Medicare's online enrollment center.

By calling 1-800-MEDICARE. You can join a drug plan by calling 1-800-MEDICARE (1-800-633-4227) and talking to a Medicare customer service representative. TTY users should call 1-877-486-2048.

### **What happens if I choose not to join a Medicare drug plan by May 15, 2006? Can I join later?**

If you don't join a plan by May 15, 2006, and you don't currently have a drug plan that, on average, covers at least as much as standard Medicare prescription drug coverage, you will have to wait until November 15, 2006 to join. When you do join, **your premium cost will go up at least 1% per month for every month that you wait to join.** Like other insurance, you will have to pay this penalty as long as you have Medicare prescription drug coverage.

If you join after May 15, 2006, the next open enrollment period is November 15, 2006 to December 31, 2006. However, coverage for people who enroll during this period will not take effect until January 1, 2007.

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### **When and how often can I switch my Medicare drug plan?**

Generally if you join a Medicare Prescription Drug Plan, you can only change plans under certain circumstances. You can choose to switch your current plan from November 15 through December 31 of every year.

Enrollment is generally for the calendar year. In certain cases, such as if you move or enter a nursing home, you can switch your plan at other times.

If you have both Medicare and Medicaid, you can change plans at any time.

### **How do I pay for the coverage? Can it be deducted from my Social Security or my retirement check?**

In general, there are three ways you can pay your Medicare drug plan premiums:

1. You can give permission to the company that offers the Medicare drug plan you choose to deduct the premium automatically from your bank account, or
2. You can have your premium deducted every month from your Social Security benefits, similar to your premiums for Medicare Part B, or
3. You can pay the prescription drug plan directly for your premium by mailing them a check or money order each month.

### **Is there someone to help me choose a Medicare prescription drug plan?**

Talk to a family member, friend, or other caregiver to help you decide what drug coverage meets your needs. You may also

- Visit [www.medicare.gov](http://www.medicare.gov) and select the "Search Tools" option to get personalized information that can help you compare plans.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- Call Your State Health Insurance Assistance Program (the telephone number will be in your copy of the "Medicare & You 2006" handbook).
- Look for information about events in your local newspaper or listen for information on the radio.
- Call your local office on aging. For the telephone number, visit [www.eldercare.gov](http://www.eldercare.gov) on the web.

### **Is there information and help available to compare Medicare drug plans?**

- Look for information about plans in your area in the "Medicare & You 2006" handbook, which you will get in the mail in October;
- Visit [www.medicare.gov](http://www.medicare.gov) on the web. Starting in October, you can look under the "Search Tools" option for detailed information about the plans available in your area; or
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

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### **How should I compare Medicare drug plans?**

There are many factors you may want to consider when comparing your Medicare drug plan choices. These factors include

- **Coverage** – Medicare drug plans will cover generic and brand-name drugs. Most plans will have a formulary, which is a list of drugs covered by the plan. This list must always meet Medicare’s requirements, but it can change when plans get new information.
- **Cost** – Monthly premiums and your share of the cost of your prescriptions will vary depending on which plan you choose.
- **Convenience** – Drug plans must contract with pharmacies in your area. Check with the plan to make sure the pharmacies in the plan are convenient to you.
- **Security now and in the future** – Even if you don’t take a lot of prescription drugs now, you still should consider joining a drug plan in 2006. For most people, joining now means you will pay your lowest possible monthly premium. If you don’t join a plan by May 15, 2006, and you don’t currently have a drug plan that, on average, covers at least as much as standard Medicare prescription drug coverage, you will have to wait until November 15, 2006 to join. When you do join, you will have to pay a penalty. You will have to pay this penalty for as long as you have Medicare prescription drug coverage.

### **Who can help me to find out more information about how this coverage will work for me?**

For personalized assistance, you can call your State Health Insurance Assistance Program (see your copy of the “Medicare & You 2006” handbook for their telephone number). The handbook will be available to you beginning in October 2005. You can also visit [www.medicare.gov](http://www.medicare.gov) on the web or call 1-800 MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. Look for information about events in your local newspaper or listen for information on the radio. You can also get personalized counseling by calling your local office on aging. For the telephone number, visit [www.eldercare.gov](http://www.eldercare.gov) on the web.

### **Where can I get more information about Medicare prescription drug coverage?**

For more information on Medicare prescription drug coverage, read the “Medicare & You 2006” handbook mailed to you in October 2005. It will list the specific plans available in your area. After October 2005, if you need help

- visit [www.medicare.gov](http://www.medicare.gov) on the web and get personalized information.
- call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. Have your Medicare card, a list of drugs you use, and the name of the pharmacy you use ready when you call.

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- get a free copy of the booklet “Your Guide to Medicare Prescription Drug Coverage,” (CMS Pub. No. 11109) on [www.medicare.gov](http://www.medicare.gov) or by calling 1-800-MEDICARE.
- call your State Health Insurance Assistance Program for free personalized health insurance counseling.
- check for local events for help joining. Contact your local office on aging. For the telephone number, visit [www.eldercare.gov](http://www.eldercare.gov) on the web.

### Important Dates

#### **When can I join a Medicare drug plan?**

The first time to join is November 15, 2005–May 15, 2006. In most cases, if you don't join by May 15, 2006, and you don't currently have a drug plan that, on average, covers at least as much as standard Medicare prescription drug coverage, you will have to wait until November 15, 2006 to join. When you do join, your premium cost will go up at least 1% per month for every month that you wait to join. Like other insurance, you must pay this penalty as long as you have Medicare prescription drug coverage. If you join by December 31, 2006, your coverage will begin January 1, 2007.

#### **When can I join if I miss the May 15, 2006 deadline?**

You will be able to join November 15–December 31 of each year. Your coverage would begin January 1 of the following year. If you choose not to join when you are first eligible and later change your mind, you may pay a penalty.

### Costs and Coverage

#### **What are the out-of-pocket costs for Medicare prescription drug coverage?**

When you get Medicare prescription drug coverage, you pay part of the costs and Medicare pays part of the costs. You pay a premium each month to join the drug plan. If you have Medicare Part B, you also pay your monthly Part B premium. If you belong to a Medicare Advantage Plan or Medicare Cost Plan, the monthly premium you pay to the plan may increase if you add prescription drug coverage.

Your costs will vary depending on which plan you choose. Your plan must, at a minimum, provide a standard level of coverage as shown below. Some plans offer more coverage or lower premiums.

#### *Standard Coverage (the minimum coverage drug plans must provide)*

If you join in 2006, for covered drugs you will pay

- A monthly premium (varies depending on the plan you choose, but estimated at about \$37 in 2006)
- The first \$250 per year for your prescriptions. This is called your deductible.

After you pay the \$250 yearly deductible, here's how the costs work:

- You pay 25% of your yearly drug costs from \$250 to \$2,250, and your plan pays the other 75% of these costs, then
- You pay 100% of your next \$2,850 in drug costs, then

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- You pay 5% of your drug costs (or a small copayment) for the rest of the calendar year after you have spent \$3,600 out-of-pocket. Your plan pays the rest.

### **What does a Medicare drug plan cover?**

Medicare drug plans will cover generic and brand-name drugs. Plans may have rules about what drugs are covered in different drug categories to be sure people with different medical conditions can get the treatment they need.

Most plans will have a formulary, which is a list of drugs covered by the plan. This list must always meet Medicare's requirements, but it can change when plans get new information. Your plan must let you know at least 60 days before a drug you use is removed from the list or if the costs are changing. If your doctor thinks you need a drug that isn't on the list, or if one of your drugs is being removed from the list, you or your doctor can apply for an exception or appeal the decision.

### **Will my drugs be covered?**

Medicare Prescription Drug Plans must include at least two drugs in every drug category.

The plans must also do the following:

- (1) Make sure you have convenient access to retail pharmacies;
- (2) Have a process for you to get drugs that are not on the list of covered drugs (formulary) when it is medically necessary; and
- (3) Provide useful information to you, such as how formularies and medication management programs work, information on saving money with generic drugs, and grievance and appeal processes.

Make a list of all the your current medications, including name, dose size (for example- 2 pills, 300mg in each pill), dosage frequency (for example- 2 times a day) and monthly costs of your current prescriptions. You can use this information to compare the list of drugs (also called a formulary) that are covered under each plan. You can get the list of drugs a plan covers by calling the plan, visiting the plan's website, or visiting [www.medicare.gov](http://www.medicare.gov) on the web. This information will be available in October from the plans and on October 13 at [medicare.gov](http://medicare.gov) on the web.

### **How can I be sure a Medicare drug plan will cover the prescriptions I might need?**

All Medicare drug plans must make sure that the people in their plan have access to all medically necessary drugs. Each Medicare drug plan will have a list of prescription drugs that it will cover. This list is called a formulary. Plans cover both generic and brand-name prescription drugs. The drug list may not include your specific drug. However, in most cases, a similar drug that is safe and effective should be available.

The drug lists must include a range of drugs in the most commonly prescribed categories and classes. This makes sure that people with different medical conditions can get the treatment they need.

In addition, Medicare requires drug plans to cover all, or substantially all, of the drugs in six specific categories. These categories are the antidepressant, antipsychotic,

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anticonvulsant, anticancer, immunosuppressant and HIV/AIDS categories. Stopping or changing drugs in these categories can have serious effects on your health. If you need drugs in any of these categories, Medicare wants to make sure that you can get what you need for your treatment. And, if you are already taking a drug in these categories that is working for you, Medicare wants to make sure you don't have to change it.

If your Medicare drug plan won't cover a drug you feel should be covered, you have the right to request a decision called a "coverage determination" by your plan. You, your doctor, or your appointed representative can call your plan or write them a letter to request that the plan cover the prescription you need. Once your plan has received the request, it has 72 hours (for a standard request for coverage) or 24 hours (for an expedited request for coverage) to notify you of its decision. Your request will be expedited if your plan determines or your doctor tells your plan that your life or health will be seriously jeopardized by waiting for a standard decision. If the plan decides against you, you can appeal the decision.

### **What is a formulary?**

A formulary is a list of specific drugs a Medicare drug plan will cover. Plans must cover all types of drugs required by Medicare, but within each type it can limit which specific drugs it will cover. It may also charge different cost-sharing amounts for different drugs within a type of drug.

### **What if I need a drug that isn't on the formulary or is covered at a higher cost?**

If you need a drug that is not on the covered drug list, or that is on the list but you think it should be covered for a lower copayment, you can do the following:

1. Contact the plan and ask for an exception. You will probably have to provide information from your doctor about why you need the drug your plan won't cover.
2. If your plan denies the exception, you can appeal. Your plan must give you information on how to appeal.

### **Will my Medicare Prescription Drug Plan need to notify me if its list of covered drugs (formulary) changes? Can this affect the cost?**

Most plans will have a formulary, which is a list of drugs covered by the plan. This list must always meet Medicare's requirements, but it can change when plans get new information. Your plan must let you know at least 60 days before a drug you use is removed from the list or if the costs are changing.

### **Will some drugs still be covered under Part B?**

Yes. Medicare Part B will still cover drugs that it covers now (like some cancer drugs) that are usually given out by a doctor in his or her office. Drugs that are not covered under Part A or Part B will, in most cases, be covered under Medicare prescription drug coverage.

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### **Will Medicare drug plans cover drugs that treat mental illness?**

Yes. Medicare drug plans will include drugs in all disease categories. They must also have an appeals and exceptions process. That process must include ways to help people who have trouble handling the process themselves.

### **What medications will be covered to treat mental illness?**

All Medicare drug plans must cover all, or substantially all, anti-psychotics, anti-depressants, and anti-convulsants.

### **Will the drugs covered by Medicare drug plans meet the needs of both seniors and people with disabilities?**

Yes. Medicare drug plans must cover drugs and/or categories of drugs that are commonly used by seniors and people with disabilities.

### **Are Medicare drug plans allowed to cover benzodiazepines (like sleeping pills)?**

A Medicare drug plan is required to offer standard prescription drug coverage, and may choose to offer additional coverage. A standard plan can't cover benzodiazepines. However, a Medicare drug plan may cover benzodiazepines if it offers more than standard coverage. The premium for these plans will most often be higher than for standard plans.

### **If I have HIV/AIDS, can I get the drugs I need?**

All Medicare drug plans must cover all anti-retroviral drugs. This includes single chemical entities as well as combination products.

### **Are any drug categories not included in Medicare prescription drug coverage?**

Yes. Certain drugs are excluded, which means they can't be provided as part of standard Medicare prescription drug coverage. Some examples of excluded drugs include benzodiazepines, barbiturates, drugs for weight loss or gain, and drugs for relief of colds. However, except for non-prescription over-the-counter drugs, a plan can choose to cover excluded drugs if the plan offers more than standard coverage. Non-prescription drugs can't be included. However, under certain circumstances, they may be provided at no cost.

### **What happens if a drug covered by my Medicare drug plan is found to be unsafe?**

If a drug is found to be unsafe, it will no longer be covered. You will get a written notice from your plan of why the drug is no longer covered, a list of other drugs that are the same type that may be used in its place, and the expected cost. Talk to your doctor about what drug you should take.

### **What happens if a drug I take stops being covered for a reason other than safety?**

If a drug is no longer covered by your Medicare drug plan for non-safety reasons, or if it is covered at a higher cost, your plan must let you know 60 days before the change. If you don't get a 60-day notice, the plan must let you get a 60-day supply when you get your next refill for the previous cost.

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### **Affect on Current Drug Coverage**

#### **What do I need to know if I have prescription drug coverage from a former or current employer or union?**

Medicare will help employers or unions continue to provide retiree drug coverage that meets Medicare's standards. Your (or your spouse's) former or current employer or union will send you information about how your current coverage compares to the Medicare standard prescription drug coverage by November 14, 2005. This information is important because it can affect the decision you will need to make this fall about if and when you sign up for Medicare prescription drug coverage.

If your (or your spouse's) employer or union has determined that your current coverage, on average, is **at least as good as the Medicare standard prescription drug coverage** (called creditable prescription drug coverage):

- You can keep it as long as it is still offered by your employer or union; and
- You won't have to pay a penalty if your employer or union stops offering prescription drug coverage as long as you join a Medicare drug plan within 63 days after the coverage ends – even if you join after May 15, 2006.

If your (or your spouse's) employer or union has determined that your current coverage, on average, is **not at least as good as standard Medicare prescription drug coverage**, if you want to join a drug plan, you must join by May 15, 2006 to avoid a penalty.

**Caution:** If you drop your employer or union coverage, you may not be able to get it back. You also may not be able to drop your employer or union drug coverage without also dropping your employer or union health coverage.

*If your employer or union plan is not as good as Medicare prescription drug coverage, find out about your options from your benefits administrator. You may be able to*

- Keep your current employer or union drug plan and join a Medicare drug plan to give you more complete prescription drug coverage.
- Only keep your current employer or union drug plan. But, if you join a Medicare drug plan after May 15, 2006, you will have to pay a penalty.
- Drop your current coverage and return to the Original Medicare Plan and join a Medicare Prescription Drug Plan, or join a Medicare Advantage Plan or other Medicare Health Plan that covers prescription drugs. See the caution above.

#### **What do I need to know if I have a Medicare Advantage Plan (like an HMO, PPO, or PFFS Plan) or other Medicare Health Plan?**

Medicare is working with your Medicare Advantage Plan or other Medicare Health Plan to help them provide even more coverage or lower costs. If you currently have prescription drug coverage from your plan, you will get a notice from your Medicare Advantage Plan or other Medicare Health Plan about your prescription drug choices. Read any materials you get from your plan carefully.

If you don't have prescription drug coverage, and want to add it, you can

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- check with your current health plan to see if they will offer a prescription drug option in 2006. If they will, you will usually be required to get your drug coverage from your current health plan if you decide to stay in the plan, or
- switch to another Medicare Advantage Plan or other Medicare Health Plan in your area that offers prescription drug coverage, or
- switch to the Original Medicare Plan and join a Medicare Prescription Drug Plan.

If you stay in your current plan that isn't offering drug coverage in 2006, you will have to pay a penalty if you want to switch to a plan that offers prescription drug coverage later.

### **What do I need to know if I have a Medigap (Medicare Supplement Insurance) policy that covers prescription drugs and I have the Original Medicare Plan (Medicare Part A and Part B)?**

Medigap policies are changing. You won't be able to buy new Medigap policies that cover prescription drugs after January 1, 2006. This fall you will get a detailed notice in the mail from your Medigap insurance company describing your choices for prescription drug coverage. Read the notice carefully before making any decisions.

You must join a new plan that provides Medicare prescription drug coverage to have Medicare help pay for drugs. This will reduce your premium costs because Medicare pays most of the premium for Medicare drug plans. You can first join a Medicare Prescription Drug Plan from November 15, 2005 – May 15, 2006.

Most prescription drug coverage offered by Medigap policies, on average, is **not at least as good as** Medicare prescription drug coverage. This means, in most cases, if you keep Medigap prescription coverage, and don't join a Medicare drug plan by May 15, 2006, you will have to pay a penalty if you choose to join later. Your next chance to join will be November 15 – December 31 of each year. Your coverage would begin January 1 of the following year.

Contact your Medigap insurance company before you make any changes to your prescription drug coverage. If you have your Medigap policy from a current or former employer or union, call your benefits administrator.

### **What do I need to know if I have drug coverage from TRICARE, the Department of Veteran's Affairs (VA), or the Federal Employee Health Benefits Program (FEHB)?**

As long as you still qualify, your TRICARE, VA, or FEHB prescription drug coverage is not changing. You should contact your benefits administrator or FEHB insurer for information about your TRICARE, VA, or FEHB coverage before making any changes. It will almost always be to your advantage to keep your current coverage without any changes. If you lose your TRICARE, VA, or FEHB coverage and you join a Medicare drug plan after May 15, 2006, in most cases, you won't have to pay a penalty, as long as you join within 63 days of losing TRICARE, VA, or FEHB coverage.

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### **What do I need to know if I have full coverage from my state Medicaid program?**

Your Medicaid prescription drug coverage is changing. Medicare, not Medicaid, will start paying for your prescription drugs beginning January 1, 2006. Medicaid will still cover other care that Medicare doesn't cover.

The last day that your state Medicaid program will pay for your prescription drugs is December 31, 2005. You will have continuous Medicare prescription drug coverage and, in most cases, will pay a small amount out of your own pocket. Medicare pays for almost all of the cost of your drugs if you join a Medicare Prescription Drug Plan or a Medicare Advantage Plan or other Medicare Health Plan with Medicare prescription drug coverage.

Compare coverage and choose a plan. You can join a drug plan starting November 15, 2005. Medicare will let you know the plan it has picked for you in October 2005, but you can still compare plans and choose another plan by December 31, 2005. If you have not joined a drug plan by December 31, 2005, Medicare will enroll you in the plan it has picked to make sure you don't miss a day of coverage. If you decide you want another plan, you can switch to another plan at any time without a penalty.

If you have Medicare and full coverage from Medicaid, and live in an institution (like a nursing home), you will pay nothing for your covered prescription drugs.

### **What do I need to know if I have the Original Medicare Plan (Medicare Part A and Part B) and I don't have prescription drug coverage?**

To have Medicare help pay for your drugs, you must join a plan that provides Medicare prescription drug coverage. You can choose and join the plan that meets your needs. If you don't use a lot of prescription drugs now, you should still consider joining. As we age, most people need prescription drugs to stay healthy. For most people, joining now means you won't have to pay a penalty if you choose to join later. Your premium will be higher if you wait to join after May 15, 2006 because of the penalty.

You can first join a drug plan from November 15, 2005 – May 15, 2006. In most cases, if you don't join during this period, your next chance to join will be November 15, 2006 - December 31, 2006 and you will have to pay a penalty. This means you pay a higher monthly premium for as long as you have Medicare prescription drug coverage.

### **What do I need to know if I have a Medigap (Medicare Supplement Insurance) policy that doesn't cover prescription drugs and I have the Original Medicare Plan (Medicare Part A and Part B)?**

To have Medicare help pay for your drugs, you must join a plan that provides Medicare prescription drug coverage. You can choose and join the plan that meets your needs. If you don't use a lot of prescription drugs now, you should still consider joining. As we age, most people need prescription drugs to stay healthy. For most people, joining now means you won't have to pay a penalty if you choose to join later. Your premium will be higher if you wait to join after May 15, 2006 because of the penalty.

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You can first join a drug plan from November 15, 2005 – May 15, 2006. In most cases, if you don't join during this period, your next chance to join will be November 15, 2006 - December 31, 2006 and you will have to pay a penalty. This means you pay a higher monthly premium for as long as you have Medicare prescription drug coverage.

Contact your Medigap insurer for information about your policy. If you have your Medigap policy from a current or former employer or union, call your benefits administrator.

### **Information for people with limited income and resources**

People with limited income and resources may qualify for extra help paying for Medicare prescription drug costs. The amount of extra help you get is based on your income and resources. You may qualify if your income is less than \$14,355 or \$19,245 for a married couple living together, and your resources are less than \$11,500 if you are single or \$23,000 if you are married and living with your spouse.\*

\*Income levels are for 2005, resource and cost-sharing amounts are for 2006, and will increase each year. The size of your family can also affect whether you qualify based on income. If you live in Alaska or Hawaii, income levels are higher.

#### **How do I know if I qualify for extra help?**

You may automatically qualify for extra help.

You may get a letter from Medicare saying that you automatically qualify for extra help and don't have to fill out the application from the Social Security Administration (SSA).

#### **You automatically qualify for extra help and don't need to apply if you**

- have Medicare and full coverage from a state Medicaid program that currently pays for your prescriptions. You should join a plan that meets your needs by December 31, 2005 because Medicaid will no longer pay for prescription drugs. If you don't, Medicare will enroll you in a plan effective January 1, 2006 so you don't miss a day of coverage. You can drop the plan or switch to another any time.
- get help from your state Medicaid program paying your Medicare premiums (belong to a Medicare Savings Program). You should join a plan that meets your needs by December 31, 2005. If you haven't signed up by May 15, 2006, Medicare will enroll you in a plan effective June 1, 2006 so you don't have to pay a penalty. You can drop the plan or switch to another any time.
- get Supplemental Security Income. You should join a plan that meets your needs by December 31, 2005. If you haven't signed up by May 15, 2006, Medicare will enroll you in a plan effective June 1, 2006 so you don't have to pay a penalty. If Medicare enrolled you in a prescription drug plan, you can switch to another plan one time before December 31, 2006.

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### **You may apply and qualify for extra help.**

If you didn't automatically qualify, the Social Security Administration (SSA) sent people with certain incomes an application for this extra help. If you got this application, fill it out and send it back to SSA as soon as possible. If you didn't get an application but think you may qualify, call 1-800-772-1213, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web, or apply at your State Medical Assistance office. You can also visit the website to get more information. After you fill out the application from SSA, SSA will mail you a letter telling you if you qualify for extra help in two to three weeks.

### **If I am not certain whether or not I qualify, should I apply for extra help?**

Yes, because there is no risk or cost to apply. And, if you qualify, you will get extra help paying for the annual deductible, premiums, and copayments for Medicare prescription drug coverage.

### **What information do I need to apply for the extra help?**

You will need your Social Security number and financial information for you and your spouse (if married and living together), including information on deposits in bank accounts, income from pensions, investments or annuities, and face value of life insurance policies to complete the application. However, you should apply even if you think you don't have all of this information.

### **How often do I need to apply for the extra help?**

Your eligibility will be reviewed every year to see if you still qualify for extra help. If you do qualify, you don't need to reapply because the review will be sent to you automatically. However, if, in any year we tell you that you don't qualify, but you think you do, you will have to reapply.

### **How much will my prescriptions cost me if I qualify for the extra help?**

The amount of extra help you get is based on your income and resources. If you automatically qualify for extra help, you will have continuous drug coverage and only pay a small copayment for each prescription (up to \$5). Look on pages 57-58 of your "Medicare & You 2006" handbook for your costs if you apply and qualify for extra help.

### **Where can I get help with my application?**

A family member, friend, or a local volunteer counselor might be able to help you with the application. You can also call the Social Security Administration at 1-800-772-1213 (TTY users should call 1-800-325-0778), or visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web for more information.

### **How do I know if I have "full Medicaid coverage?"**

If Medicaid covers both your health care and your prescription drugs, you have "full" Medicaid benefits.

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### **I have both Medicare and full Medicaid coverage. Do I need to apply for extra help to pay for Medicare prescription drug coverage?**

No. Since you have both Medicare and full Medicaid coverage, you automatically qualify for extra help and you don't need to apply. Starting January 1, 2006, Medicare will cover your prescription drugs instead of Medicaid, so you will need to be in a Medicare drug plan to get your drug coverage. Between November 15, 2005 and December 31, 2005, you can choose any drug plan that meets your needs. If you don't choose a plan during this time, Medicare will enroll you in a plan effective January 1, 2006 so you don't miss a day of coverage. In October, Medicare will send you a letter to let you know what plan you'll be in if you don't join one before December 31.

### **What if I don't want the plan that Medicare chooses for me?**

If you don't want the plan that Medicare chooses, you can switch any time to another plan that you prefer. Just call the new plan to find out how to join. When you join the new plan your coverage under the old plan will end automatically.

You can call 1-800-MEDICARE (1-800-633-4227) if you don't want Medicare prescription drug coverage and you don't want Medicare to enroll you in a plan. **However, if you choose to do this, you could be left with no prescription drug coverage as of January 1, 2006 because after that date Medicaid will not pay for any drugs that would be covered under a Medicare drug plan.**

### **How often can I change plans?**

If you have Medicare and full Medicaid coverage, you can change plans at any time. The change will be effective at the beginning of the next month.

### **What if the prescription I take is not covered by my Medicare drug plan? Will Medicaid still pay for it?**

If Medicare covers a prescription drug, Medicaid will **not** pay for it. However, Medicare drug plans don't have to cover every drug that's included in Medicare prescription drug coverage. They only have to cover every type of drug. You should review what drugs are covered by the Medicare drug plans available in your area and try to join one that covers the same prescriptions you take now. If the plan doesn't cover your exact prescriptions, it's required to have a transition period where your current drugs may be covered for a certain length of time while you work with your doctor to find an alternative prescription drug to take that is covered by the plan. If your doctor believes you need to take your current prescription drug and should not switch to a covered prescription drug, you or your doctor can contact your plan and ask it to give you an "exception" which means the plan agrees to pay for your current drug. If the plan refuses to give you an exception, you can appeal the plan's decision.

However, if you are currently stabilized on certain specific prescription drugs (like drugs for depression, cancer or HIV/AIDS), you don't have to switch to a different prescription drug. Please talk to your doctor or pharmacist to see if your prescription drugs qualify.

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When you join, the Medicare drug plan will send you information about its appeal procedures. Read the information carefully and call your plan if you have any questions.

**What if Medicare doesn't cover my prescription at all? Will Medicaid still pay for it?**

Some state Medicaid programs may choose to cover some or all of the few prescriptions not covered by Medicare prescription drug coverage. Contact your State Medical Assistance Office for more information.

**If my prescription drugs are now paid for by my state Medicaid program, can my state make me join a certain Medicare drug plan?**

No. State Medicaid programs may provide you with information about certain plans, but they can't make you join a specific plan.

**If my prescription drugs are now paid for by my state Medicaid program, will Medicaid still pay for drugs I take that aren't covered by Medicare prescription drug coverage (such as sleeping pills or prescription vitamins)?**

If the State covers that kind of drug for people who get Medicaid but don't have Medicare, then Medicaid must still cover that drug for you. You need to check with your state Medicaid program to see if it will cover a drug not covered by Medicare.

**If my drugs are now covered by my state Medicaid program, and I live in a nursing home or other institution, will I need to join a Medicare drug plan?**

Yes. Medicaid will no longer cover prescription drugs covered by Medicare prescription drug coverage as of January 1, 2006. If you don't join a Medicare drug plan by December 31, 2005, Medicare will automatically enroll you in a Medicare drug plan. Your Medicare drug coverage will start January 1, 2006. However, you can choose and join a different plan at any time.

**Do State Pharmacy Assistance Programs (SPAPs) have to work with all Medicare drug plans offered in their states?**

Yes. SPAPs must provide assistance to people eligible for Medicare prescription drug coverage regardless of which Medicare drug plan they join.

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