



Community Services for Seniors and Family Caregivers

Medicare Prescription Drug Plan Summary

Prescription Drug Plan Benefits

The Medicare Prescription Drug Plan is available to everyone with Medicare. Before 2006, Medicare only covered doctor appointments, hospital stays, and disease management. However, beginning in 2006, Medicare will offer insurance coverage to help pay for prescription drug costs. The new program is often called Medicare Part D. It is the largest expansion to the Medicare program since it began in 1965.

Everyone with Medicare is eligible for drug coverage, regardless of his or her income or resources, pre-existing conditions, or current prescription expenses. No one can be denied for health reasons or level of income.

How the Coverage Helps

Medicare Prescription Drug Coverage includes both brand name and generic prescriptions at participating pharmacies anywhere in Oregon and Washington. National drug plans are also available for those who reside in more than one state. Typical Medicare beneficiaries could see their total drug costs cut in half.

Medicare will cover a portion of prescription medication costs. In addition, if you have high out-of-pocket costs, Medicare will pay 95% of your prescription drug costs after you pay \$3,600 annually. Extra help subsidizing this cost is available to those with limited income and resources, leaving almost no drug expenses.

How the Coverage Works

The Medicare Prescription Drug Plan is managed by private companies approved by Medicare. You select the plan that best suits your circumstances, and Medicare subsidizes the cost of the plan you join. Some Medicare Prescription Drug Plans are better than Medicare's standard drug benefit.

As a Medicare recipient, you can select from a wide range of options, choosing a prescription drug plan that addresses your individual concerns about convenience, coverage, and cost, regardless of where you live in Oregon. More than 70 Medicare Prescription Drug plans are offered, including four with premiums of less than \$20 monthly. Of the companies offering drug coverage in Oregon, 12 will have prescription drug plans available with no premium to beneficiaries who have limited income and resources and who qualify. You will need to apply with the Social Security Administration to receive this extra help.

The available plans differ in cost and coverage. You should research your options carefully before you enroll, finding the plan that best fits your circumstances.

The Prescription Drug Plan is voluntary. If you currently have superior drug coverage from another source, you may not need to sign up. However, if you do not sign up before May 15, 2006, and do not have drug coverage, you will have to pay more for the Medicare Prescription Drug coverage. There is a 1% penalty on the premium each month you wait after the open enrollment period. The Medicare Drug Plan coverage will also help in the future. As we age, our medical conditions change and our need for prescription drugs may increase.

Enrollment Timeline

- November 15, 2005 – First day you can join a Medicare Prescription Plan
- January 1, 2006 – Coverage begins for those enrolled by December 31, 2005
- May 15, 2006 – Last day to join a plan without paying higher premiums in the future.

Online Tools

The Medicare Web site (www.medicare.gov) offers many tools to help you understand the program and compare various plans. On the site, you will find:

- Landscape of Local Plans – Allows you to access a list of plans available in your state.
- Prescription Drug Plan Finder – Learn about the new coverage and compare various plans to find which is best for you.
- Formulary Finder – Find plans in your state that match your list of prescription medications.

To Learn More

- Visit www.medicare.gov
- Call 1-800-MEDICARE (1-800-633-4227)
- In Oregon, call Senior Health Insurance Benefits Assistance (SHIBA) at 1-800-722-4134; stay on the line for an operator. See the separate worksheet handout for the information you will need.
- Ask your pharmacy what plans it participates in.

To Be Notified of Upcoming Information Events

- Call 1-866-329-0514 and leave a message with your contact information.
- E-mail medicarerx@eschelon.com

To Join

- To enroll in a Medicare prescription drug plan, contact Medicare at 1-800-MEDICARE (1-800-633-4227), or enroll on the Web site at www.medicare.gov.