

questionnaires you may receive:

- i. Initial Enrollment Questionnaire (IEQ)
 - 3 months before you become eligible for Medicare you will receive a four page questionnaire for you to describe any of your other health insurance coverage. The COB needs to find out if you have an employer group health plan that will pay before Medicare.
- ii. Medicare Secondary Claim Development Questionnaire
 - Seeks specific information about an insurance carrier if you indicate you have other benefits through employer coverage, worker's compensation, or under automobile no-fault insurance.

Important!

Answer the questionnaires carefully. Wrong answers can result in delaying Medicare payments for many months.

To correct problems call the COB contractor at 1-800-999-1118 or send a letter to: Medicare Coordination of Benefits; P.O. Box 33847, Detroit, MI 48232. You may also call the Senior LinkAge Line® at 1-800-333-2433 for help.

Medicare Prescription Drug Benefit (Part D): Things to Consider

To get Medicare coverage for your prescription drugs, you must choose and join a Medicare drug plan or a Medicare Advantage plan with Part D drug coverage included. Regardless of how a Medicare drug plan or Medicare Advantage plan decides to offer the coverage, there are some key factors that may vary. Some of these factors might be more important to you than others, depending on your situation and drug needs. These factors are:

Cost

- **Premium**
This is the monthly cost you pay to join a Medicare drug plan. Premiums vary by plan.
- **Deductible**
This is the amount you pay for your prescriptions before your plan starts to share in the costs. Deductibles vary by plans. No plan may have a deductible more than \$320 in 2012. Some plans may not have any deductible.
- **Co-payment/Co-insurance**
This is the amount you pay for your prescriptions after you have paid the deductible.

- ▶ In some plans, you pay the same co-payment (a set amount) or co-insurance (a percentage of the cost) for any prescription.
- ▶ In other plans, there might be different levels or "tiers," with different costs. For example, you might have to pay less for generic drugs than brand names. Or, some brand names might have a lower co-payment than other brand names.
- ▶ Also, in some plans your share of the cost can increase when your prescription drug costs reach a certain limit.

Coverage

• Formulary

A list of drugs that a Medicare drug plan covers is called a formulary.

- ▶ Formularies include generic drugs and brand-name drugs.
- ▶ It is important to make sure that you enroll into a plan that includes your prescriptions on their formulary.
- ▶ The formulary must include at least two drugs in categories and classes of most commonly prescribed drugs to people with Medicare.
- ▶ This makes sure that people with different medical conditions can get the treatment they need.

Restrictions

The plan may have certain coverage rules (including quantity limits, prior authorization and step therapy) on the prescription drug coverage provided.

Quantity Limits: For safety and cost reasons, plans may limit the quantity of drugs that they cover over a certain period of time. If the drug has a quantity limit restriction, you should contact the plan for more detail.

Prior Authorization: Prior authorization means that you will need prior approval from an insurance plan before you fill your prescription. If a drug has prior authorization, you will need to work with the plan and your doctor to get an exception. Call your plan or visit their web site to learn more about specific prior authorization requirements. The Senior LinkAge Line® can also assist you with requesting an exception.

Step Therapy: In some cases, plans require you to first try one drug to treat your medical condition before they will cover another drug for that condition. For example, if Drug A and Drug B both treat your medical condition, a plan may require your doctor to prescribe Drug A first. If Drug

A doesn't work for you, then the plan will cover Drug B. If a drug has step therapy restrictions, you will need to work with the plan and your doctor to request an exception. The Senior LinkAge Line® can also assist you with requesting an exception.

Coverage Gap (Donut hole): If you have high drug costs, you may consider which plans offer additional coverage to help you pay for Part D drug costs during the coverage gap/donut hole (\$3,725 in 2012). During the donut hole, you pay 100% of your drug costs, but the prices are now discounted (50% for brand name and 14% for generics in 2012).

Total Out of Pocket Costs: If you reach the point where you have spent \$4,700 in 2012 out-of-pocket for drug costs during the year, the plan will pay most of your remaining drug costs, except for a co-pay or 5% co-insurance, whichever is higher.

Convenience

- Drug plans must contract with pharmacies in your area. Check with the plan to make sure your pharmacy or a pharmacy in the plan is convenient to you. Also, most plans offer a mail-order program that will allow you to have drugs sent directly to your home.
- You should consider all of your options in determining what is the most cost-effective and convenient way to have your prescriptions filled.

Savings

- **Extra Help:** Look into Medicare Part D Extra Help, also known as Low Income Subsidy (LIS) for help paying your Part D plan costs. Your monthly income can be as much as \$1,362 (single) or \$1,839 (couple) and maximum assets are \$12,640 (single) or \$25,260 (couple). You can enroll on line at <https://secure.ssa.gov/apps6z/i1020/main.html> or call the Senior LinkAge Line® at 1-800-333-2433 for assistance.
- **Medical Assistance and Medicare Savings Programs:** If you are on Medical Assistance or a Medicare Savings Program (Qualified Medicare Beneficiary, Service Limited Medicare Beneficiary or Qualified Individual), Medicare Part D will cover your prescriptions and will enroll you in a benchmark (lower cost) Part D plan automatically if you are not already enrolled in plan. If you are not pleased with the plan, you can change plans monthly.

Other Considerations

- Don't forget that if you're married, each person must sign up for a Medicare Plan D plan individually.
- If you are still working at age 65 and have an employer plan or you have a retiree health plan, find out if the company's plan's drug coverage is "creditable." If it is, you can delay getting Part D with no penalty. If it isn't ask if you can get Part D without losing your current health care plan. *Note:* Veterans or TRICARE drug coverage is creditable.

Peace of mind 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. As we age, most people need prescription drugs to stay healthy.
- For most people, joining now means you will pay a lower monthly premium in the future since you may have to pay a penalty if you choose to join later. You will have to pay this penalty as long as you have a Medicare drug plan.

The Senior LinkAge Line® (1-800-333-2433) provides statewide comprehensive options counseling and is available to help those without Internet access review their Medicare options. People with Internet access are encouraged to research their options by using the Medicare Plan Finder tool at www.medicare.gov.

- To help make sure you get the assistance you need, please have the following with you before you call 1-800-333-2433 or go onto the Medicare Plan Finder Tool:
 - ▶ Your Medicare card.
 - ▶ The list of all of the prescriptions you take regularly, including the name, dosage amount and how often you take the dosage.
 - ▶ Name and address of your current pharmacy.
 - ▶ It is also a good idea to have an estimate of your monthly income and assets available in case you want to apply for the Extra Help (LIS).