



ENROLLMENT CONSIDERATIONS:
THINGS TO THINK ABOUT BEFORE SIGNING UP FOR THE MEDICARE PART D PRESCRIPTION
DRUG BENEFIT

You are eligible...

- if you receive Medicare Part A or Part B
- if you receive Medicare *and* Medicaid, in other words, if you are a “dual eligible”

It's not mandatory, but...it may not be voluntary either

- The Medicaid drug benefit will end on December 31, 2005. If this is how you have been paying for your drugs, you will have to find other coverage. **If you receive Medicare and Medicaid**, you will be automatically enrolled in a Medicare drug plan. Furthermore, **New York State Law requires Medicaid applicants to enroll in Medicare Part D** as a condition of eligibility. If they do not, they will not receive any Medicaid benefits.
- **If you only have Medicare** and do not enroll in the Medicare drug benefit when you are first eligible you may have to pay a premium penalty of 1% for every month that you delayed enrollment if you decide to enroll later.
- **If you use ADAP (AIDS Drug Assistance Program)** and you are eligible for the Medicare Part D benefit, you will be required to enroll in a Part D plan.

If you have other prescription drug coverage...

...from your union or a current or past employer (for example) you may want to hold onto it and forgo the Medicare drug plan. First, decide if your current coverage makes more sense for you in the long term than the Medicare drug plan (for example, does it cover more of the medications you currently use or might need down the road, are the costs lower and likely to stay that way, is it accepted by multiple pharmacies you might use, do you feel confident that it will be available to you for years to come?). Second, find out if it is considered “creditable.” **Creditable coverage** is coverage that is considered by the government to be as good as or better than the Medicare drug benefit. In other words, it is a plan that can be expected to pay out at least the same amount for your prescriptions as the Part D benefit will.

If you keep coverage that is creditable but decide at a later date to switch to the Medicare drug plan, you won't have to pay a penalty.

If you keep coverage that is *not creditable* and then decide switch to the Medicare drug plan later, you will have to pay a premium penalty of 1% for every month since the initial enrollment period that you delayed enrollment.

Your current insurer must send you a notice telling you if your coverage is creditable by November 15, 2005.

CREDITABLE COVERAGE

It is early October 2005. Sam is HIV-positive and has Medicare because he qualified for Social Security Disability many years ago. Medicare does not yet cover drugs, although it will beginning on January 1, 2006. Because Sam needed drug coverage, and he does not qualify for ADAP because he has too many assets, he picked up a direct-pay policy in the individual insurance market to pay for his drugs (Jim was able to get this policy prior to enrolling in Medicare. You are not allowed to pick one up AFTER you enroll). Now that Part D is on the horizon, Sam must decide whether he should (a) enroll in Part D and drop his current policy, (b) keep his current policy and forgo Part D, or (c) pick up Part D AND keep his policy, just to be on the safe side. In November 2005, the insurance company he uses for his drug coverage will notify him of whether or not his coverage is "creditable." If it is creditable, Sam can keep his coverage and forgo Part D, but have the option of picking it up in several years without incurring a penalty. In November, he will decide which option is best for him.

Things to consider before picking a plan

Under the Medicare prescription drug benefit, there is no one standard plan. You will have a choice of at least two plans. Depending on where you live, you may have upwards of ten plans to choose from. Here are some things to consider:

Affordability Compare the costs of plans. Different plans have different premiums, co-payments, and deductibles. If you are a dual eligible, you do not have to pay a premium or a deductible and your drug co-pays will be \$1 to \$2 for generics and \$3 to \$5 for brand names.

If you are not a dual eligible, you still may be eligible for extra help depending on your assets and annual income. The difference in cost for those who are eligible for this help and those who are not is considerable. [see [Paying for Part D fact sheet](#)]

If you are not a dual eligible and do not qualify for extra help, you could be looking at thousands of dollars in out-of-pocket costs every year. This makes a careful comparison of plans' premiums, co-pays, deductibles, and list of covered drugs even more essential.

Access Each Medicare prescription plan is coming up with its own list of drugs it will cover. We don't know what's on these lists yet. We do know that they will be made

public by the time people have to choose a plan in the fall and that each plan will be required to cover at least two drugs in every therapeutic class. Because not every plan will carry every drug, you should consider which drugs and which types of drugs you currently use or may need in the future.

Appeals If a plan initially refuses to pay for a drug you need, you can appeal. Different plans have different appeals processes, and some may be more complicated, or slower, than others. For some people, this may be among the most important enrollment considerations. Familiarize yourself with the basics of the appeals process before you commit to a plan. Make sure you know where to go for help if you have a problem accessing the drugs your medical provider says you need. Know the steps to take to fight for your coverage.

Getting More Information

GMHC Fact sheets:

[Medicaid, Medicare, and "dual eligibles"](#)

[Medicare Part D Timeline](#)

[Enrollment Considerations](#)

[Paying for Part D](#)

OTHER RESOURCES AND NETWORKS

Center for Medicare and Medicaid Services (CMS) and the Department of Health and Human Resources

<http://www.cms.hhs.gov/medicare/>

<http://www.medicare.gov/medicarerreform/>

Families USA

www.familiesusa.org

http://www.familiesusa.org/site/PageServer?pagename=Medicare_Drug_Law_Materials

Medicare Rights Center

<http://www.medicarerights.org/newlawframeset.html>

www.medicarerights.org

Kaiser Family Foundation

www.kff.org/medicare

Center for Medicare Advocacy

http://www.medicareadvocacy.org/FAQ_PrescDrugs.htm

www.medicareadvocacy.org

HIV Medicine Association

GAY MEN'S HEALTH CRISIS
MEDICARE PART D FACT SHEET: ENROLLMENT CONSIDERATIONS

http://www.idsociety.org/HIVMA_Template.cfm?Section=Medicare&Template=/TaggedPage/TaggedPageDisplay.cfm&TPLID=42&ContentID=7079
www.hivma.org

EPIC Elderly Pharmaceutical Insurance Coverage
http://www.health.state.ny.us/health_care/epic/index.htm

Social Security Administration
<http://www.socialsecurity.gov/prescriptionhelp/>
<http://www.socialsecurity.gov>

Treatment Access Expansion Project
http://www.taepusa.org/medicare_partd.html
<http://www.taepusa.org>