

For more information on the new Medicare Prescription Drug Plans, please contact:

Senior Health Insurance Information Program (SHIIP)

Local: 515-281-6867

Toll-Free: 1-800-351-4664

Toll-Free TDD: 1-800-735-2942

Website: www.shiip.state.ia.us

Medicare

Toll-Free:

1-800-MEDICARE

Website:

www.medicare.gov



To Contact My Office:

Des Moines: 515-284-4574

Cedar Rapids: 319-365-4504

Davenport: 563-322-1338

Dubuque: 563-582-2130

Sioux City: 712-252-1550

Website: www.harkin.senate.gov

This bulletin brought to you by

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An Important
Message from
Senator Tom Harkin

Understanding the New Medicare Prescription Drug Plans



Medicare will begin providing new prescription drug plans as of January 1, 2006. What options do you have under the new plans? How do you choose from among those options?

See inside for details...

Dear Friend,

I'm writing you about the new Medicare prescription drug plans that will go into effect January 1, 2006. You may have already started receiving information in the mail about these plans, which are sometimes called Medicare Part D. Because the costs and benefits will vary depending on the options you choose, it is important to become informed about the choices for enrolling in



these plans. My hope is that this process will go smoothly for you, and I am working to provide information to help make that happen.

A number of agencies, such as Iowa's SHIIP offices and the Centers for Medicare and Medicaid Services (CMS) in Washington, are providing extensive information about what this change means and how to navigate your way through it. In addition, however, I have instructed my staff to be informed and ready to

help connect you to the resources that will be most helpful. I have also prepared this brochure that provides some basic information as you begin to learn about the new prescription drug plans. Finally, I have added a number of links and more detailed information on my website.

As you may recall, I opposed this approach when it was proposed in 2003, and truthfully, I still believe Americans would be better off with a plan that was less confusing and would guarantee savings on prescription drugs for seniors. Nevertheless, it is the only available option for many seniors to receive prescription drug coverage, and it does provide extra benefits for seniors with limited means. I hope this brochure and the other resources I am providing will be helpful to you in this process.

Sincerely,

Tom Harkin of Iowa

United States Senator



While all plans should offer equivalent value, the premiums, co-payments, covered drugs, and coverage levels may vary. Review the details of plans in your area to determine which is best for you.

Terms to know

Premium—a monthly fee you pay, regardless of how many prescriptions you have.

Co-payment—a flat fee you pay each time you fill a prescription.

Deductible—the amount of prescription drug costs you have to pay each year before benefits start.

Fraud

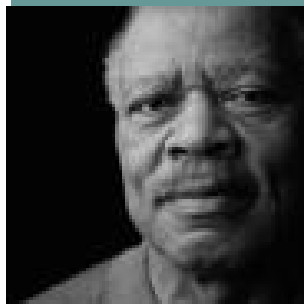
If someone calls me advertising a new Medicare prescription drug plan, should I sign up with them on the phone?

Prescription drug plan sponsors are allowed to market their plans over the telephone, but it is hard to tell the difference between a legitimate plan sponsor and someone simply posing as a sponsor to scam you out of your money or personal information. For this reason, you should never give out personal information over the phone unless you initiate the phone call.

How do I know if a plan someone is selling is legitimate?

In October 2005, The Center for Medicare Services (CMS) will send you a list of Medicare-Approved Prescription Drug Plan sponsors. Keep this information and use it as a reference. If you are unsure about a prescription drug plan sponsor contact SHIIP. These people have your best interests in mind and have nothing to gain from helping you sign-up for one plan versus another.

To learn more about detecting and reporting Medicare fraud and scams targeting lowans, visit: www.StopMedicareScams.org.



In late 2003, Congress passed the Medicare Modernization Act, which offers prescription drug benefits to Medicare recipients through what is called Medicare Part D. If you are enrolled in Medicare Part A or B then you are eligible for the Part D plans. These new prescription drug plans will officially begin January 1, 2006, and you can choose to enroll any time in the 6 months between Nov. 15, 2005 and May 15, 2006. You will have a number of options to choose from, but here is a general overview of your choices.

Your Options under the New Medicare Prescription Drug Law

- 1) You can remain enrolled in Medicare Part A and/or B and enroll in a Part D prescription drug plan, which will be offered by a private company.
- 2) You can change your Medicare coverage to Medicare Advantage, a program that provides the traditional Medicare benefits plus prescription drug coverage through a PPO or HMO.
- 3) You can remain enrolled in Medicare Part A and/or B and choose **not** to enroll in a Part D plan at all in this enrollment cycle (by May 15, 2006). However, if you do not choose to enroll now, there may be financial penalties if you choose to enroll in the future:
 - A) If **you do not have other coverage that is equal to or better than Part D**, you will be charged a late enrollment fee if you enroll some time in the future. The fee will be greater the longer you wait to enroll in the Part D plan.
 - B) If **you do have other coverage that is equal to or better than Part D**, such as VA, TRICARE, FEHBP, or a prescription drug coverage plan you get through a current or former employer or union, and you maintain enrollment in it up to the time you switch to Part D, you will not be charged a late enrollment fee.

Frequently Asked Questions:

Does my Medicare coverage have to change if I enroll in a Part D prescription drug plan?

No. You can add prescription drug coverage without changing your Medicare coverage.

Are the Part D prescription drug plans the same as the Medicare Drug Discount Cards?

No. The Cards were a transition step that will end when you sign up for Part D, or by May 15, 2006 at the latest. Part D works like insurance, typically with a monthly premium and some cost each time you fill a prescription.

I'm a veteran, and I get prescriptions through the VA pharmacy. Will this benefit be affected?

No. You will still be able to use the VA pharmacy.

Information for Low-Income Medicare Recipients:

Medicare will provide additional financial help with your prescription drug costs if you qualify based on income and an assets test.

If you are **eligible for Medicare and Medicaid**, your prescription drug benefits will be covered by Medicare starting January 1, 2006. To be sure your prescription drug needs are met, choose a plan and enroll by that date. If you don't, you will be automatically assigned to a plan.



If you are **single and have a total household income under \$14,355, or married with a total household income under \$19,245**, you will be eligible for subsidies on a sliding scale, including reduced co-payments and a waiver on the annual deductible.

If you **live in a nursing home and qualify for both Medicare and Medicaid**, you will receive the Medicare prescription drug benefit without having to pay the monthly premiums or annual deductible. If you stay for even a few weeks in a nursing home, you will get free generic and brand-name prescription drugs for the duration of your stay.

Please contact Social Security at 1-800-772-1213 or www.ssa.gov to see if you qualify for low-income assistance.