

## The Medicare Drug Benefit: Coming Soon to Your Community

As a trusted source of information in the community, Alzheimer's Association chapters will need to be informed about the new Medicare drug benefit that will go into effect on January 1, 2006. The Association will be looked to for reliable information about the benefit and the options available in each community. It is not expected that chapters help individuals enroll in a particular drug plan. Yet, information on the benefit, and its effect on Alzheimer's beneficiaries, is an important service for chapters to provide. If the Association does not offer this information, some individuals with Alzheimer's (and their caregivers) will not obtain these important benefits. The Medicare Advocacy Project will develop a series of fact sheets for chapters to provide up-to-date information on the new Medicare drug benefit and other improvements to the Medicare program.

### Brief Facts about the Medicare Drug Benefit

- Drug Benefit: \$250 – enrollee deductible
  - \$251- \$2250 – 25% enrollee co-payment
  - \$2251 - \$5100 – 100% enrollee payment
  - Above \$5100 – 5% enrollee co-payment

- Benefits will begin on **January 1, 2006**
- Benefits will only be provided through private entities, either through a stand-alone drug plan or a managed care plan (e.g. HMO or PPO)
- There will be an estimated monthly premium of \$37.00
- **Medicaid will no longer cover prescription drugs for recipients who are eligible for Medicaid and Medicare (called dual eligibles)**. This population will receive drug coverage through the new Medicare drug benefit
- Medicaid and low-income beneficiaries will pay no premium and minimal co-payments

### Important Dates for Implementation of the Medicare Drug Benefit

- **Fall 2005** – CMS sends letters to Medicaid and Medicare beneficiaries about new Medicare drug benefit
- **October 15, 2005** – Drug plans begin marketing to Medicare beneficiaries for enrollment in plans
- **November 15, 2005 – May 15, 2006** – Enrollment open season for prescription drug plans
- **January 1, 2006** – Medicare drug benefit begins. Medicaid coverage of drugs for dual eligibles ends

### Resources from the Association's Medicare Advocacy Project

Detailed fact sheets on the drug benefit, the low-income subsidies, the effect on Medicaid-Medicare population and choosing a Medicare drug plan

- Trainings by conference call for interested chapter staff
- Trainings for national contact center
- Prepared articles for chapter newsletters

### Resources for Additional Information

- Alzheimer's Association, Medicare Advocacy Project: <http://www.alz.org/Advocacy/priorities/medicare/overview.asp>
- Centers for Medicare and Medicaid Services: (800)-medicare or <http://www.medicare.gov/MPCO/Static/Resources.asp#HowPlansWork>
- AARP: [www.aarp.org](http://www.aarp.org)
- Access to Benefits (ABC) Coalition: <http://www.accesstobenefits.org>
- Senior Health Insurance Programs (to locate programs in each state): Elder Locator (800) 677-1116; (800)-medicare