



NOVEMBER 2006 – OPEN ENROLLMENT TIPS

PART D

Evaluate Your Current Plan

Now is the time to evaluate your current Medicare Part D Plan. Even if you have been happy with your current plan, changes for 2007 might remove your current medications or change their price. There may be plans available that cost less and offer additional coverage.

Enrolling or Changing Plans by December 8th

To enroll for the first time, or to change your Part D Plan, do so *before December 8, 2006*. This will help ensure you receive your prescription drug card and that your new information will be at your pharmacy on January 1, 2007.

Transition Coverage

A “Transition Supply” of medication is a temporary refill of a prescription that is not on your Plan’s formulary. Transition coverage is available for new plan enrollees beginning January 1, 2007, and for people who are newly-eligible for Medicare joining a plan anytime in 2007. This temporary supply is available while you and your physician are evaluating other drugs on the formulary that might work or while you wait for the Plan’s response to your “Exception Request.”

Plans *may* also provide a “Transition Supply” of drugs for current enrollees who are affected by formulary changes in 2007 or who were provided their drugs through the Exceptions process.

PART B RULE CHANGES

Part B Premium Increases - Income Related

Beginning January 2007, the Medicare Part B premium will be based on income for the first time. Individuals with an income below \$80,000 annually will pay a Part B premium of \$93.50. Individuals with incomes from \$80,000-\$100,000 annually will

pay a Part B premium of \$106. Individuals with annual incomes above \$100,000 will pay higher amounts.

MEDICARE ADVANTAGE PLANS

Private Fee for Service (PFFS)

A PFFS plan is a relatively new type of Medicare Advantage Plan. It is not the same as an HMO. These plans do not use a network of contracted providers. You will have to confirm before each visit that the physicians you want to see will accept your PFFS Health Plan and will bill the plan for you.

Medicare Advantage (MA-HMO) Part D Rules

Open enrollment is November 15 to December 31, 2006. You will have one additional opportunity to change your MA plan from January 1 – March 31, 2007. If you are in a MA plan and want Part D coverage in 2007, you must enroll in a Part D Plan prior to December 31, 2006. Beginning January, any changes in MA coverage can only be to and from plans with similar coverage.

- If you are in a MA plan *with* prescription coverage, you may only change to a plan that also has prescription coverage.
- If you are in a MA plan *without* prescription coverage, you may only change to a plan that does not have prescription coverage.
- *You may not add or drop Medicare prescription coverage by changing MA plans after January 1, 2007.*

Low Income Subsidy (LIS)

If you currently qualify for the LIS and your Part D Plan no longer covers the cost of premiums, you should have received a letter from Medicare notifying you of the change. There are two categories of letters. Either you will be:

- Automatically reassigned to a different Medicare Part D Plan that covers the cost of the premium;

Or

- You will need to select and enroll in a new Medicare Part D Plan. If you do not change, you will have out-of-pocket costs.