



*Helping Older Persons With
Legal & Long-Term Care
Problems*

The Medicare Part D Extra Help Program

1. What Is The Medicare Part D Program?

Part D is Medicare's prescription drug program that you enroll in when you turn 65 and join Medicare. Your cost for a Part D insurance plan includes an annual deductible, a monthly premium, and prescription co-pays. Financial help is available for these costs, see #7 below.

2. How Do I Enroll In Medicare Part D?

To enroll in Part D, you join one of 33 Stand Alone Medicare Prescription Drug Plans (PDPs). Unlike Medicare Part A and B, private for-profit companies run Medicare PDPs. To enroll, you must apply to one of these private companies.

3. Will I Have To Leave The Traditional Medicare Program To Enroll In A Medicare Drug Plan?

No. You may enroll in any of the 33 Stand Alone Prescription Drug Plans offered in Ohio and remain in traditional Medicare Part A and B. You can also choose to leave traditional Medicare by enrolling in one of the 28 available Medicare Advantage Plans (MAPs) (managed care plans) that also include prescription drug coverage. But if you do so, the Medicare program pays the for-profit, managed care company a monthly fee to provide all your medical care, including its prescription drug benefit. You must use that plan's drug benefit, so it is crucial that you make sure your medicines are on the MAP's drug formulary, before you enroll in that plan.

Some MAPs may have low monthly premiums, but may also have out of pocket costs much greater than the Medicare Part A and B programs. Unlike Medicare Part A & B, there is no "gap" insurance you can buy to cover these costs. Most managed care plans require that you use only the doctors and hospitals in the plan's network in order for the MAP to pay for your care.

4. Will All My Prescription Drugs Be Covered By Every Plan?

No. PDPs and MAPs are not required to cover any particular medication, though they must cover some medications for certain illnesses. Of the 33 plans offered in Ohio, some cover as few as 70 of the top 100 medicines used by seniors, while others cover 95. Each plan has its own “formulary”, its list of covered medications. Before enrolling in a plan check whether:

- a) The plan’s formulary includes all your medications;
- b) The plan does not have any additional conditions for your medications, such as a prior authorization requirement or another limit on a “formulary” drug that requires additional plan approval;
- c) The plan’s total cost for all your medications is among the lowest; and
- d) Your local pharmacy is part of the plan’s network or a mail order option is offered.

If your medication is not on a plan’s formulary, then neither the plan nor Medicare will pay for it. Though you can request that the plan cover your medicine as an exception to its formulary, in order to be successful, your physician must support your request. You and your physician must prove that no medicine on the formulary will work as well for you. See <http://www.medicare.gov/part-d/> for a list of plans offered in your zip code.

5. I Am A “Dual Eligible” Because I Have Both Medicaid & Medicare. Should I Enroll In Medicare Part D?

Yes. Medicaid will not pay for a dual eligible’s prescription medications unless it is a medication that is completely excluded from the Medicare drug program. Medicare will pay for your medications, but only if you are enrolled in a PDP or a MAP with a drug benefit.

This applies to all dual eligibles – those in nursing homes and those living in the community. When you become a dual eligible, Medicare will automatically enroll you in a PDP, but that PDP may not cover all your medications. To correct this problem, you have a special right to switch to a different PDP whenever you wish.

6. I Don’t Take Any Medications. Do I Still Have To Join A Medicare PDP?

No, joining a PDP is voluntary, but there are several good reasons to join. If you do not enroll in Part D when you turn 65, but decide to enroll later, if you are not a dual eligible, you are only permitted to enroll between October 15th and December 7th each year with coverage beginning on January 1st. This means that if you had an illness that required you to start using medication(s), you would have to wait until the next enrollment period to get drug coverage.

In addition, if you do not join when first eligible for Medicare and you do not have retiree or other prescription drug coverage as good as the Medicare drug benefit, and you later enroll in the Medicare drug program, you will also be assessed a lifetime penalty. The penalty is an additional 1% per month for each month you delayed your enrollment (20 month delay = 20% penalty added on to each month's premium). So a better choice may be to choose a PDP with a low monthly premium at age 65 to avoid paying a penalty later. You would also then have drug coverage should you need it in the upcoming year.

7. Is Financial Help Available For People Who Enroll In A Medicare Drug Plan?

Yes. Medicare calls this program "Extra Help", and it pays most or some of the PDP cost. The amount of Extra Help varies with income, the number of people supported by that income and the value of any liquid assets. The home you live in, your home furnishings, your car(s), jewelry, and even \$1,500 per person in cash, if you plan to use it solely for your burial expenses, will not count as a part of your liquid assets. The value of all other bank accounts, stocks, bonds, cash and IRAs will be counted as liquid assets. To qualify, beneficiaries must have liquid assets less than \$13,300 for individuals or \$26,580 for couples and have an income less than 150% of the Federal Poverty Level (FPL).

Medicare beneficiaries who receive Medicaid, SSI or participate in a Medicare Savings Program are automatically enrolled in Extra Help. See Pro Seniors' Medicare Savings Program brochure for more details.

All other Medicare beneficiaries must apply for Extra Help separately, but once enrolled, will save a significant amount of money. Most pay only an annual \$66 deductible and a 15% prescription co-pay until catastrophic coverage kicks in after \$4,750 in out-of-pocket expenses. Under catastrophic coverage, the beneficiary pays \$2.65 for generic and \$6.60 for brand name prescriptions. There are no coverage gaps.

Monthly income at or below:

135% FPL	One Person	Couple
Max Income	\$1,293	\$1,745
Max Assets	\$8,580	\$13,620

No annual deductible; no monthly premium; co-pay \$2.65 for generics, \$6.60 for brand name prescriptions.

135% FPL	One Person	Couple
Max Income	\$1,293	\$1,745
Max Assets	\$13,300	\$26,580

\$66 annual deductible; no monthly premium; co-pay 15%.

140% FPL	One Person	Couple
Max Income	\$1,341	\$1,810
Max Assets	\$13,300	\$26,580

\$66 annual deductible; 25% monthly premium; co-pay 15%.

145% FPL	One Person	Couple
Max Income	\$1,389	\$1,874
Max Assets	\$13,300	\$26,580

\$66 annual deductible; 50% monthly premium; co-pay 15%.

<150% FPL	One Person	Couple
Max Income	\$1,436	\$1,938
Max Assets	\$13,300	\$26,580

\$66 annual deductible; 75% monthly premium; co-pay 15%.

8. How Do I Apply For Extra Help?

Pro Seniors can help: (800) 488-6070; or apply directly to SSA at 1-800-772-1213 or www.ssa.gov.

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Pro Seniors' Legal Hotline for Older Ohioans provides free legal information and advice by toll-free telephone to all residents of Ohio age 60 or older. If you have a concern that cannot be resolved over the phone, then the hotline will try to match you with an attorney who will handle your problem at a fee you can afford.

In southwest Ohio, Pro Seniors' staff attorneys and long-term care ombudsmen handle matters that private attorneys do not, such as nursing facility, adult care facility, home care, Medicare, Medicaid, Social Security, protective services, insurance and landlord/tenant problems.

This pamphlet provides general information and not legal advice. The law is complex and changes frequently. Before you apply this information to a particular situation, call Pro Seniors' free Legal Hotline or consult an attorney in elder law.

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Pro Seniors, Inc.
7162 Reading Rd.
Suite 1150
Cincinnati, Ohio 45237

Switchboard: 513.345.4160
Clients Toll-free: 800.488.6070
Fax: 513.621.5613
TDD: 513.345.4160

E-mail: proseniors@proseniors.org

Web Site: www.proseniors.org