



An Encore *Life* Seminar Series

What You Need To Know BEFORE You're 65

Esther Koch
Encore Management
www.EncoreMgmt.com





The Goals

To Understand the BASICS of:

***Medicare
Prescription Drug
Coverage***







Coverage Options

$$A + B + g + D = C$$



Option #1 *Fee for Service*

- 
- Part A
 - Part B
 - Medigap (Optional)
 - Part D Drug Plan
- 

Option #2 *Managed Care*

- Part C
Exchange Part A and B
for a
Medicare Advantage Plan
with Drug Coverage



MedicareR_x
Prescription Drug Coverage X

Medicare Rx Basics

*Private Insurance
Intermediary Model*





Coverage Basics

Private Companies Must Meet The Government's Standard Coverage.

- Once the government standard is met, coverage varies across the board by:
 - “Formulary” of drugs covered
 - Classification of drug
 - Premium
 - Deductible
 - Drug price
 - Cost share – copay or coinsurance
 - Donut hole coverage

Creditable Coverage

**CREDITABLE =
AT LEAST AS GOOD AS**
The Government Standard

- ***Very important concept for seniors who already have drug coverage.***
 - Should have received notification stating if coverage is creditable or not.
-
- ***If creditable, do not enroll in a Part D plan.***
 - ***If later enrollment in Part D plan, **penalty will not apply.*****



Two Primary Types of Drug Plans

■ **Prescription Drug Plan “Stand Alone”**

- In California: Currently 51

■ **Medicare Health/Advantage Plans**


- Drugs included as just one component of the entire health plan.
 - No need to separately enroll.
- Plans are on a county basis
 - Los Angeles County: Currently 33
 - San Francisco County: Currently 20
 - Santa Clara County : Currently 17



“Stand Alone” Prescription Drug Coverage A New Way to Select Insurance



Goal Is To Select A Plan Whose Overall Estimated Annual Cost Is Among the Lowest of All Plan Offerings

- 
- You first want the best match of your drugs against the plan’s “formulary” of drugs covered. Then the other variables come into play.
 - You need to do this annually.
 - Your drugs will likely change annually.
 - Plans can change drugs on formulary annually.
 - Formularies vary by plan, not just by provider.



*The Best Way to Save on Prescription Drugs:
Take Generics!*



Medicare_{Rx}
Prescription Drug Coverage _X

How To Compare “Stand Alone” Prescription Drug Plans

Use

The Drug Plan Finder

www.Medicare.gov





Drug Plan Finder

What You Need to Have Prepared

- Zip Code + Current Coverage
- Current Meds
 - Drug Name and Dosage (Alphabetically)
 - 30-Day Supply
- Consideration of Future Meds
- Specific Pharmacy if Required



Medicare

The Official U.S. Government Site for People with Medicare

MyMedicare.gov

Secure Sign In

This is an optional and free service

Sign In ID:

Password:

Sign In

[learn more](#) | [sign up](#)

Medicare Spotlights

Site Updates

RSS

NEW! [Hospital Compare now has readmission measures for heart attacks, heart failure, and pneumonia](#)

[HHS.GOV/Recovery](#)

[Medicare Premiums and Coinsurance Rates for 2009](#)

[View an online demonstration on how to use the Prescription Drug Plan Finder](#)

Prescription Drug Plans

- [Compare](#)
- [Check Current Enrollment](#)
- [Enroll](#)

Medicare Prescription Drug Coverage

▶ [Medicare Prescription Drug Plans - 2009 Plan Data](#)

▶ [Medicare Health Plans - 2009 Plan Data](#)

▶ [Formulary Finder - 2009 Plan Data](#)

▶ [Lower Your Costs During the Coverage Gap](#)

Compare Medicare Prescription Drug Plans. [Pharmacy information](#)

- Prescription Drug Plan
- Medicare & You 2009
- Am I Eligible?
- Medicare Billing ▶
- Medicare Appeals ▶
- Long-Term Care ▶

Step 1: Select a Search Option

Recommended

Personalized Plan Search

The **Personalized Plan Search** is optimal because it provides specific information about your current enrollment as well as more tailored plan information.

Use this search if you:

- have your red, white, and blue Medicare card
- want information on your current coverage
- want details about the Medicare Prescription Drug Plans and Medicare Health Plans in your area

[Begin Personalized Search](#)

By clicking on this button you are agreeing to the terms and conditions of the [User Agreement](#)

OR

General Plan Search

The **General Plan Search** will not give you information about your current enrollment and cannot provide tailored plan information.

Use this search if you:

- do **not** have your red, white, and blue Medicare card
- want details about the Medicare Prescription Drug Plans and Medicare Health Plans in your area

[Begin General Search](#)

By clicking on this button you are agreeing to the terms and conditions of the [User Agreement](#)

NOTE: Any information you enter on this site is secure. Medicare will not save or use any information you enter other than to provide you with accurate search results. See the [User Agreement](#) for more details.

Page Last Updated: August 16, 2007

 [Top of page](#)

Find and Compare Plans

Decide If You Want to Get Drug Costs for Your Plans

Get Drug Costs for Available Plans

To provide you with estimated drug costs, we need to know which drugs you are currently taking, including their quantities and dosages.

Select one of the following options:

- 1. I have not yet entered my drugs on this Web site
- 2. I entered my drugs on a previous visit to this Web site and would like to retrieve my saved drug list now.
Drug List ID:
Password Date: -Month- -Day- -Year-

OR

Show Me Available Plans Without Drug Costs

Click "Continue to Plan List" below if you do not wish to enter the drugs you are currently taking, including their quantities and dosages. Drug cost estimates will not be included in the plan information.

Plan Name and ID Numbers <small>[What is this?]</small>	Estimated Annual Cost ▲ <small>[What is this?]</small>	Monthly Drug Premium <small>[What is this?]</small>	Annual Deductible <small>[What is this?]</small>	Coverage in the Gap* <small>[What is this?]</small>	Number of Network Pharmacies	Favorites <small>[What is this?]</small>	Enroll
Advantage Allegiance Plan by RxAmerica RxAmerica (S5644-317) <i>Approved by Medicare</i> <i>Available nationwide ‡</i>	\$3,829 Lower this cost	\$42.50	\$0.00	All Preferred Generics	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Advantage Star Plan by RxAmerica RxAmerica (S5644-084) <i>Approved by Medicare</i> <i>Available nationwide ‡</i>	\$3,863 Lower this cost	\$14.70	\$275.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
MedicareRx Rewards Standard UniCare (S5960-138) <i>Approved by Medicare</i> <i>Available nationwide ‡</i>	\$3,910 Lower this cost	\$14.60	\$275.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Advantage Freedom Plan by RxAmerica RxAmerica (S5644-064) <i>Approved by Medicare</i> <i>Available nationwide ‡</i>	\$3,915 Lower this cost	\$21.70	\$0.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Humana PDP Standard	\$3,920	\$23.00	\$275.00	No Gap	5	<input type="button" value="Add"/>	Enrollment begins

<i>Available nationwide ‡</i>							
Prescription Pathway Platinum Plan Reg 32 Pennsylvania Life Insurance Company (S5597-229) <i>Approved by Medicare</i>	\$4,830 Lower this cost	\$63.60	\$0.00	All Generics	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Humana PDP Complete S5884-060 Humana Insurance Company (S5884-060) <i>Approved by Medicare</i>	\$4,838 Lower this cost	\$102.70	\$0.00	All Preferred Generics	5	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
SierraRx SierraRx (S5917-008) <i>Approved by Medicare</i>	\$5,025 Lower this cost	\$26.80	\$0.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
EnvisionRxPlus Gold EnvisionRx Plus (S7694-066) <i>Approved by Medicare</i> <i>Available nationwide ‡</i>	\$5,040 Lower this cost	\$99.50	\$0.00	All Preferred Generics	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Aetna Medicare Rx Premier Aetna Medicare (S5810-202) <i>Approved by Medicare</i> <i>Available nationwide ‡</i>	\$5,207 Lower this cost	\$98.80	\$0.00	All Generics	5	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.

Show: [5 per page](#) | [10 per page](#) | [20 per page](#) | All one page

Comparison Now Showing Retail (30-Day Supply) Prices - [Show Mail Order \(90-Day Supply\) Prices](#)

Drug	Estimated Cost Share before Savings	Cost Share Savings Opportunities: Lower Cost Drugs	Estimated Cost Share After Savings *
max CAP 0.4mg	\$26.38/month	N/A	\$26.38/month
YBURIDE/METFORMIN HCL TAB 500MG	\$5.00/month	N/A	\$5.00/month
zaar TAB 100-25	\$83.89/month	Similar Drug: 68.31%	\$26.58/month
r-Con 10 TAB 10meq ER	\$5.00/month	N/A	\$5.00/month
TFORMIN HCL TAB 500MG	\$5.00/month	N/A	\$5.00/month
span TAB 500mg ER	\$5.00/month	N/A	\$5.00/month
ARFARIN SODIUM TAB 5MG	\$5.00/month	N/A	\$5.00/month
or TAB 145mg	\$35.95/month	N/A	\$35.95/month
orin TAB 10-20mg	\$32.86/month	N/A	\$32.86/month
Total:	\$204.08/month		\$146.77/month

(Enrollment begins November 15, 2007.)

* The Estimated Cost Share After Savings is the amount you will pay for drugs after you've met any applicable deductible, but before you reach any coverage limits.

Similar Drugs:

For one or more of the above drugs, the plan offers similar drugs at a lower cost. Different prescription drugs are often available to treat many common health conditions. These drugs could be either brand or generic formulations. If you are taking a prescription drug, there may be a drug that is prescribed for individuals with conditions similar to yours and that is priced lower than the drug you are taking. You and your doctor may want to discuss if this is an option for you.

[Click here](#) for information about Ways to Lower Your Costs During the Coverage Gap.

Compare up to 3 Plans to Sort Table by:

Plan Name and ID Numbers <small>[What is this?]</small>	Estimated Annual Cost	Monthly Drug Premium ▲ <small>[What is this?]</small>	Annual Deductible <small>[What is this?]</small>	Coverage in the Gap [†]	Number of Network Pharmacies	Favorites <small>[What is this?]</small>	Enroll
First Health Part D-Secure First Health Part D (S5768-114) <i>Approved by Medicare</i>	\$4,233 Lower this cost	\$14.30	\$175.00	No Gap Coverage	7	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
MedicareRx Rewards Standard UniCare (S5960-138) <i>Approved by Medicare Available nationwide ‡</i>	\$3,910 Lower this cost	\$14.60	\$275.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Advantage Star Plan by RxAmerica RxAmerica (S5644-084) <i>Approved by Medicare Available nationwide ‡</i>	\$3,863 Lower this cost	\$14.70	\$275.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.
Health Net Orange Option 1 Health Net (S5678-002)	\$4,206 Lower this cost	\$16.70	\$275.00	No Gap Coverage	6	<input type="button" value="Add"/>	Enrollment begins November 15, 2007.

Enrolling in a Plan

- Directly with plan provider
 - On their website
 - By phone
 - Mail-in application
- At www.Medicare.gov
 - Through *Drug Plan Finder*
 - Through *Enroll in a Plan*
- By phone to 1-800-MEDICARE
- Annual Coordinated Election Period
 - November 15th – December 31st
 - Coverage starts January 1st
 - Sign-up at beginning of enrollment period



Congratulations

Now You've Got The Basics

***Medicare
Prescription Drug
Coverage***



For More Information

- www.Medicare.gov
- *Medicare & You* handbook
- 1-800-MEDICARE (1-800-633-4227)
- State Health Insurance Assistance Programs (SHIPs)
 - State contact info at www.Medicare.gov
 - 1-800-434-0222 in CA
- Social Security Administration
 - 1-800-772-1213



Disclaimer

***This Set of Materials
Provided by Encore Management
Is Not a Legal Document.***

***Official Medicare Provisions
Are Contained in The Relevant
Laws, Regulations, and Rulings.***

United We Serve

What You Need To Know Before You're 65

I have partnered with Woodruff Sawyer to bring this Encore Life Seminar Series on Medicare to you. It is my contribution to the Obama Administration's ***United We Serve*** initiative which is a call to all Americans to volunteer in their communities.

I hope you find this information of benefit. It is my pleasure to serve.

Esther Koch

Esther Koch is a gerontologist and eldercare advisor. Her firm, Encore Management at www.ENCOREmgmt.com, provides personal and corporate advisory services on aging and eldercare matters targeted to Boomers.

Esther is also a Medicare Aging Network Partner with the Administration on Aging and the Centers for Medicare and Medicaid, and was a delegate to the White House Conference on Aging. She speaks on a wide range of aging, retirement, and eldercare topics. Her media interviews and articles have appeared on television, radio, and in print.