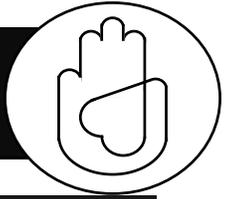


ELDERCARE UPDATE



Partnership for Eldercare: Partnering with Con Edison to help you with the needs of your aging loved ones.
WINTER 2006

MEDICARE PART D: What Caregivers Need to Know

The New Year marks the beginning of Medicare's new prescription drug program, otherwise known as Medicare Part D. The new program is complex and many caregivers are overwhelmed with the options available to their older relatives. Please know that **Partnership for Eldercare** is just a phone call away with the information and guidance you may need.

Did my older relatives miss their chance to enroll? But wait, you say, didn't the program already begin on January 1, 2006? Has my parent missed the opportunity to sign up for Medicare Part D? Contrary to what many believe, your relative did not have to sign up by January 1, 2006. Although Medicare Part D plans went into effect at the start of the New Year, **the enrollment period actually extends to May 15, 2006.** [Exception: if your relative has BOTH Medicare and Medicaid, the enrollment deadline was December 31, 2005]

Does my relative have to get the Medicare prescription drug benefit? No, but unless he/she has drug coverage that is at least as good as the Medicare plan, your older relative needs to **enroll by May 15, 2006** to avoid a premium penalty for late enrollment.



If your relative already has prescription coverage either through a union, an HMO, an employer or other source, the organization providing that coverage should have sent your relative a letter this past autumn to confirm that the coverage is "creditable." Creditable coverage is defined as prescription coverage that is equal to or greater than the coverage offered by Medicare Part D. If your relative's current coverage is creditable, he/she does not need to enroll in Medicare Part D and will not incur any premium penalties should he/she need to apply for Medicare Part D in the future. It is a good idea to keep a copy of the letter verifying creditability for your records.

How do I know which plan to choose? Once you find out what plans are available in your parent's geographic area, two key factors to consider are cost and formulary.

A range of private companies will be offering Medicare Part D plans and costs such as co-payments, premiums and deductibles will vary. In 2006, the average monthly premium is around \$37 and the annual deductible can be up to \$250. It will take some research to find the program that best fits your parent's needs at a cost that fits his/her budget.

Each drug plan will have its own formulary, or list of covered drugs, and network of participating pharmacies. It is important to find the plan with your relative's prescription medications included in its formulary at a pharmacy that is convenient.

Once enrolled, can my older relative switch plans?

He/she may change plans once a year between November 15 and December 31.

Are there programs for low income individuals?

If your older relative's income is low, he/she may be eligible for extra help and may not

have to pay a premium or deductible. To qualify, a single person would need to have an income below \$14,355 and assets lower than \$11,500. The figures are slightly higher for couples.

Many states have offered **state-funded prescription discount programs** for lower income individuals in the past, and for the most part these programs still stand.

Some programs, like New York State's EPIC [Elderly Pharmaceutical Insurance Coverage] program will continue to operate independently of Medicare Part D. Discount programs in other states like New Jersey's PAAD [Pharmaceutical Assistance to the Aged and Disabled], will require PAAD beneficiaries to enroll in Medicare part D and the two programs will work together. If your relative was already enrolled in a state-funded prescription program anywhere in the country, he/she should have received a letter from the state explaining changes, if any, in light of Medicare Part D.

My relative got prescriptions from Medicaid in the past. I heard this will end. If your relative is what is called a "dual eligible," that is they are covered under **BOTH Medicaid and Medicare**, he/she must get prescriptions through a Medicare Part D drug plan beginning in January 2006. If a specific plan was not chosen by December 2005, a plan was randomly assigned. Medicaid/Medicare recipients will automatically get extra help in paying for Medicare drug costs. Individuals with both Medicaid/Medicare may also have more flexibility in terms of switching Medicare Part D plans.

I still have questions! Where can I turn for help? Contact **Partnership for Eldercare** at **1.800.94.ELDER** [outside of NYC] or **212.442.3113**. Our counselors are available from Monday through Friday, 9am – 5pm EST to provide the information and support you need to care for your older relatives.

Please call for a confidential consultation or to request a copy of **Medicare & You 2006** along with additional information on the new Medicare prescription drug program.

Partnership for Eldercare

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Please call us for a
confidential telephone consultation.

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