

Prescription Drug Plans

Medicare offers prescription drug coverage to everyone with Medicare. If you don't have coverage through an employer or other health coverage, buying a PDP would be a wise decision. There is not one plan that can be classified as the "best" since every senior takes differing amounts and types of prescription drugs.

Below is the minimum coverage that all plans must provide.

How will my PDP will work throughout the year?			
Stage 1 <i>Yearly Deductible</i>	Stage 2 <i>Initial Coverage</i>	Stage 3 <i>Gap Coverage</i>	Stage 4 <i>Catastrophic Coverage</i>
Plans can have an initial deductible, ranging from \$0 to \$405 per year.	Your plan must cover at least 75% of your drug cost. You pay the balance in the form of co-payments. This stage ends when the actual cost of your drugs reach \$3,750	Your plan must cover at least 15% for brand-named drugs and only 56% for generic drugs. The balance is your co-pay. This stage ends when your total out of pocket reaches \$8,417.60.	Your plan must cover at least 95% of your drug cost. You pay the balance as a co-pay. This stage lasts through Dec. 31 st .

+ What is the "Donut Hole"?

Stage 3, the gap coverage listed above, is often referred to as the donut hole. Think of this gap as a mid-year deductible, or reduction in coverage. It is simply a hole in your coverage. The good news is that the gap is being closed over the next few years!

+ Commonly asked questions...

Do I have to buy a drug plan?

Medicare will impose a 1% penalty per month that you wait to buy a plan. So, if you decide you don't want a PDP for 3 years and then decide to get a plan, you will pay 36% more for your plan. Waiting 36 months = 36% higher premium, for the rest of your life.

What if I don't take any prescriptions?

One option would be to simply buy the least expensive plan available in order to avoid a future penalty. Most routine drugs are covered by all plans in case you begin taking a prescription half-way through the year.

How do I join & leave PDP plans?

You may join an PDP plan when you first become eligible for Medicare. Beyond that, the open enrollment period for buying or changing your plan is between Oct. 15th and Dec. 7th each year.

What's the bottom line when looking for a drug plan?

Look for the "total annual cost" of each plan. This number is found by adding 1) premiums, 2) annual deductibles and 3) your co-pays. Each plan will have different features, so we highly recommend letting one of our agents help you in your decision.

Note: This abbreviated document is intended to be a very broad overview of information. Please consult Medicare (www.medicare.gov) and/or your insurance agent, attorney and accountant for details of benefits and coverage. This document does not intend to give legal, tax or insurance advice.

Why doesn't Senior Solutions sell the drug plan?

Every senior takes a different set of drugs with different dosages and frequency. Therefore, we feel it would be a disservice for us to choose and sell only one plan. You may need one plan and your neighbor may need a completely different plan.

So, in an effort to put the client first, we simply remove ourselves from the formula. We give our commitment to help you research and find the best plan for you and your specific prescriptions.

How do we do it? We take your drug list and search the Medicare website. It can be a challenge to navigate but we have looked up hundreds of plans for our clients. The site will list all of the plans from least expensive to highest. We print it out, review it with you and if you decide to buy it, it's as easy as a phone call!

So, you have our commitment to put you first. Call us with your drug list and let us help you.

+ What's next?

We make drug plans look easy and help you find the options that are available.

Keep reviewing the documents or videos from our website at

www.CMCretirement.com and then call us at 800-489-1921 or 812-426-1921, locally, to make an appointment.