



Prescription for Financial Relief

State and Federal Governments Combine Efforts to Reduce Prescription Drug Costs

The Medicare Modernization Act, which establishes the Medicare Part D Plan will provide beneficiaries comprehensive prescription drug benefits under Medicare beginning in 2006. I cosponsored legislation this past session establishing the Missouri Rx Plan, which is designed to coordinate prescription drug benefits between the two prescription drug plans. The combined efforts of the two programs will result in significant savings for qualifying Missourians.

Enrollees in the Medicare Part D Plan will receive a standard list of benefits for approximately \$37 a month. Under standard coverage, after a \$250 deductible, the Medicare Part D Plan will pay 75% of covered drug purchases until the total cost reaches \$2,250. Between \$2,250 and \$5,100 in purchases, there is a gap in coverage where the enrollee is responsible for the full cost. The gap in coverage is commonly referred to as the “donut hole”. Once drug purchases reach \$5,100, the Medicare Part D Plan will pay 95% of drug purchases. The Missouri Rx Plan is designed to offset some of the prescription drug expenses at every cost tier, but its primary aim is to fill the “donut hole” and ease the burden on enrollees between the \$2,250 and \$5,100 cost level. The Missouri Rx Plan will be fully implemented on Jan. 1, 2006. It will serve approximately 300,000 Missourians, 65 years and older, as well as individuals with disabilities receiving Supplemental Securities Income (SSI) and enrolled in Medicare. Specific details of the benefits offered from the Missouri Rx Plan will be released in October.

As for the Medicare Part D Plan, it will be administered by Medicare, but authorized private insurance companies will provide the actual coverage. The names of the authorized insurance companies will be announced in mid-October, but at least two qualifying companies will be selected for each Medicare Part D region, ensuring that those enrolling in the program will have at least two plans to choose from. Each Medicare Part D Plan that private insurance companies offer will cover a specific list of prescription drugs. Enrollees will be able to compare which drugs are covered by the different plans, and then choose the one that best fits their needs. To prevent lapses in coverage, Medicare recipients who currently receive Medicaid will

automatically be enrolled in a Medicare Part D Plan. Automatic enrollees retain the option of choosing another Medicare Part D Plan that better fits their needs. Seniors and persons with disabilities that are not automatic enrollees can join a Medicare Part D Plan during the open enrollment period, November 15, 2005 through May 15, 2006. It's important to note that one must first join the Medicare Part D Plan before being enrolled in the Missouri Rx Plan.

There is no denying the financial toll that expensive prescription drugs can have on Missourians. With the combined efforts of State and Federal lawmakers, more Missourians than ever before will receive prescription drug assistance. I will continue to keep you up-to-date on the Missouri Rx Plan as details become available. For immediate questions and concerns, call 1-800-375-1406 or e-mail info@dhss.mo.gov.

Contact Me

As always, I appreciate hearing your comments, opinions and concerns. Please feel free to contact me in Jefferson City at (573) 751-2459. You may write to me at Jason Crowell; Missouri Senate; State Capitol; Jefferson City, MO 65101, or email me at: jcrowell@senate.mo.gov or visit me on the web at <http://www.senate.mo.gov/crowell>.

Senator Jason Crowell represents the people of Bollinger, Cape Girardeau, Madison, Mississippi, Perry and Scott counties in the Missouri Senate.