



STATE SENATOR JASON CROWELL - ROOM 323, STATE CAPITOL - JEFFERSON CITY, MO 65101

[Contact Me](#) | [Website](#) | [Biography](#) | [Past Columns](#)

Rx for Missouri Seniors and Disabled

What You Need to Know About Missouri's Prescription Drug Plan, a Federal/ State Partnership

On January 1, 2006, the Medicare Part D plan will replace the old Medicare approved drug discount cards. As a result, for the first time, all 890,000 Medicare enrollees living in Missouri will have access to insurance coverage for prescription drugs.

Federal Help

Like other insurances, enrollees will pay a monthly premium, a deductible and co-payments for a Medicare Part D plan. Premiums and coverage differ by plan, with premiums under standard coverage costing an average of \$32 per month. Most plans have a \$250 annual deductible. Once the deductible is met, Medicare will pay 75 percent of prescription drug costs until total drug costs (the amount paid by Medicare and the member) reach \$2,250. After this dollar amount, there is a "coverage gap," and the enrollee pays 100 percent of drug costs until out-of-pocket expenses reach \$3,600. At this point, Medicare kicks back in and pays 95 percent of the rest of the prescription drug costs. The process starts over each year.

If you can't afford the cost of a Medicare Part D plan, "extra help" is available for individuals with low income and limited resources. To qualify, annual income must be below \$14,355 for a single person or less than \$19,355 for a married couple, and assets (not including home) must be under \$11,500 for a single person or \$23,000 for a married couple. Those who qualify for "extra help" will not pay premiums or deductibles, and co-payments will be small or nonexistent. To find out if you are eligible, contact the Social Security Administration (SSA) at 1-800-772-1213 and request an application. If there is any doubt that you may qualify, then go ahead and apply. The application for "extra help" is separate from the Medicare Part D plan application, so you will need to apply for both.

In terms of eligibility, all people with Medicare will have access to a Medicare Part D plan. If you have drug coverage from a former employer or union, you should compare your current coverage with the Medicare Part D plans offered in your area. You can remain under your current plan if it is "creditable", meaning it provides benefits that are, on average, at least as good as the Medicare Part D plan. Your prescription drug provider was required to send information to you by November 15, 2005, informing you whether your coverage is "creditable". If you have any questions about this, contact your prescription drug provider. One

important note: if you have “creditable” coverage and you applied for a Medicare Part D plan anyway, your company will remove you from its prescription drug plan and may also cancel you from their medical insurance plan. You can send an appeal to your company if you made this mistake and request to be put back on your company plan.

Everyone will have at least two Medicare Part D plans to choose from. The three main differences in the plans are the formularies, which is the list of medications the plan covers, the costs of the plan (premiums, deductibles, and co-payments), and which pharmacies participate in the plan. I recommend choosing the cheapest plan that offers the medications you use at a pharmacy that is convenient to you. For more information on plans available, contact Medicare by phone at 1-800-MEDICARE (633-2273) or visit www.medicare.org.

Seniors who do not use many prescription drugs may be tempted to avoid enrolling in a Medicare prescription drug plan. I would caution against this because those who do not currently have “creditable” drug coverage will pay increased premiums of at least 1 percent for every month enrollment is delayed past the May 15, 2006 deadline. A better idea is to enroll in a low-cost plan that covers fewer prescription drugs and then switch to a more comprehensive plan as needs change. You can probably find a plan for under \$20 per month.

State Help

To enhance prescription-drug savings even further, this past session I co-sponsored legislation establishing the Missouri Rx Plan, which will replace the Missouri Senior Rx Program on January 1, 2006. The Missouri Rx Plan will continue to help low-income seniors pay for their prescription drugs, and will now also cover the disabled. The plan is designed to provide wrap-around coverage to the Medicare Part D plans and fill the “coverage gap.” The Missouri Rx Plan will serve an estimated 160,000 Missourians and average annual savings will amount to \$900 per enrollee. The plan will serve the dual-eligible population (those enrolled in Medicare and Medicaid) and current Missouri Senior Rx Program enrollees. Dual-eligibles and current Missouri Senior Rx enrollees will automatically be enrolled in the Missouri Rx plan by January 1, 2006. Enrollees will then have until May 15, 2006 to change plans.

The Missouri Rx Plan covers 50 percent of true out-of-pocket expenses- the actual expenses paid by the member, not including monthly premiums. Say, for example, that a member is enrolled in both a Medicare Part D plan and the Missouri Rx plan. If his or her prescription costs \$100, once the deductible is paid, their Medicare prescription drug plan will pay 75 percent of the cost (\$75), leaving the member to pay the remaining \$25. The Missouri Rx plan will then pay 50% of this \$25, leaving the member with a total-out-of-pocket expense of \$12.50. The Missouri Rx plan works the same way in the “coverage gap”. Continuing our example above, when total drug costs reach \$2,250, then for the same \$100 prescription, the Missouri Rx plan will pay \$50 and the member will pay \$50.

I hope this information is helpful. One additional resource I will share with you is the Southeast Missouri Area Agency on Aging. Their number is 573-335-3331 or 1-800-392-8771.

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; State Capitol, Room 323; Jefferson City, MO 65101. You can also email me at jcrowell@senate.mo.gov or visit me on the web at <http://www.senate.mo.gov/crowell>.

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