



MEDICARE PART D

How to select a provider
And find your lowest premium cost



THANK YOU FOR ATTENDING

- Designated question and answer times
- No such thing as a dumb question
- Prepared and presented by Harvey Gershenson, Membership Chairman of the Palmia Computer Club



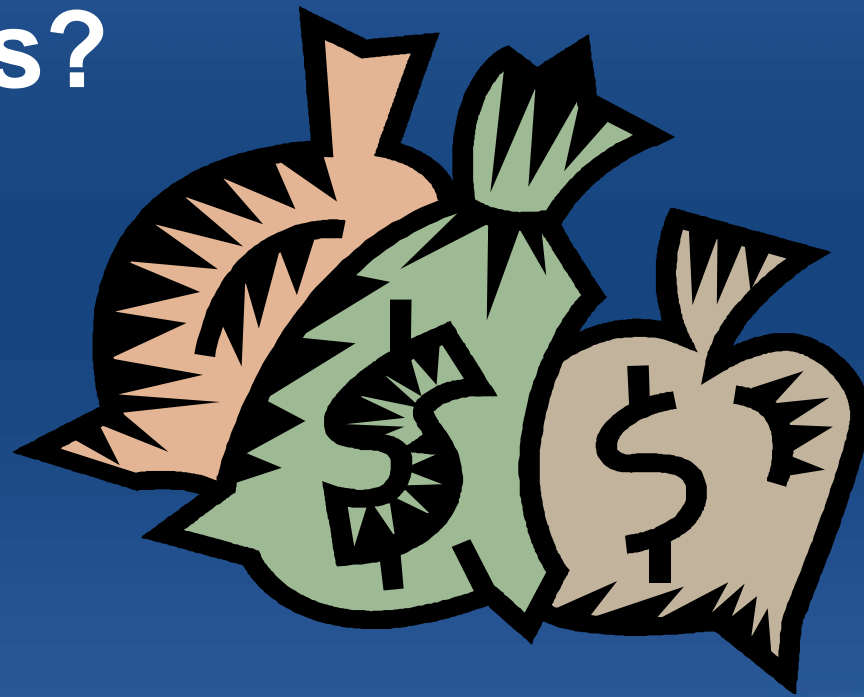
WHY BUY PART D?

- **A catastrophic medical problem**
- **Your current prescriptions can change**
- **Prescription costs go up every year**



WHY SHOP PART D?

- Do you know how much your premium has gone up over the last 3 years?





Premiums

- In 2008 the average premium was **\$29.89 per month (\$358.68 per yr)**
- In 2009 the average premium was **\$35.09 per month (\$421 per yr)**
- In 2010 the expected average is **\$39.00 (\$468 per yr) An increase of \$110 in 2 years!**
- Today, 60% of the plans will charge a deductible
- Every year your insurance company will increase your premium



WHY I SHOP FOR A NEW PROVIDER EACH YEAR

- In 2007 our premium was \$24.50 per month for each of us. The total was \$294 per person for 2007
- In 2010 our premium is \$17.50 per month plus a deductible of \$175 for each of us. The total is \$385 per person for 2010
- In 2010 we are paying \$91 more than we paid in 2007
- How much has your premium increased since 2007?



Providers

- You have a lot of choices
- In 2010 there were 1,576 stand alone providers
- The number of providers will vary from one region to another
- The lowest number for any region is 41 and the highest is 56



Enrollment Periods

- In 2010 you can change your provider from November 15 until December 31
- Starting in 2011
- The enrollment period will be from October 15 until December 7



Benefits & The Donut Hole

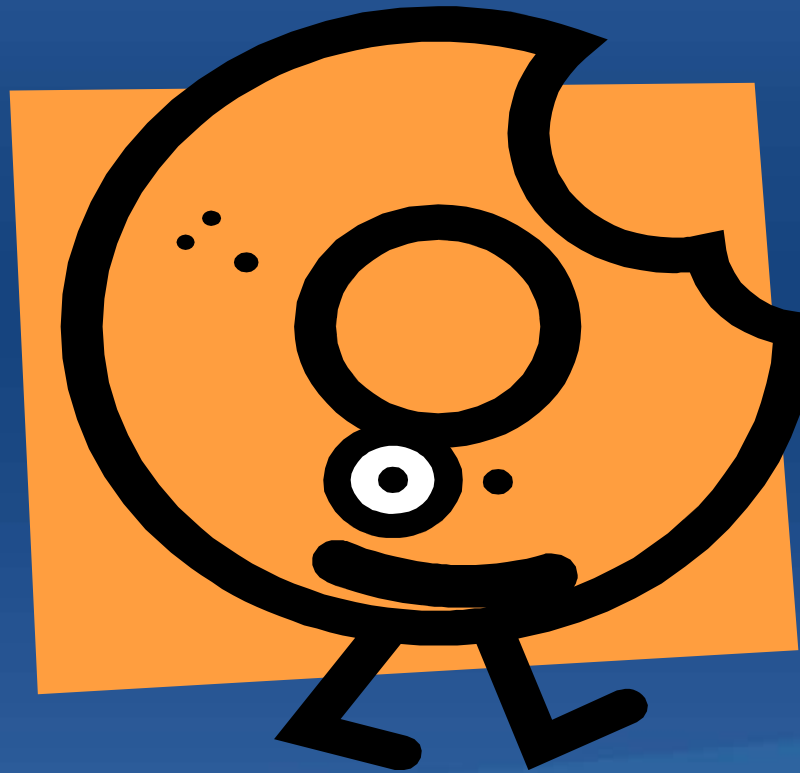
- There is a defined standard benefit offered by only 11% of the providers
- 89% of the providers have various plans
- The donut hole is usually confusing
- 80% of the providers offer no coverage in the donut hole!



The Donut Hole

Do you understand the donut hole?

The donut hole is a Coverage Gap!





The Donut Hole

- \$2,830 spent by you and your provider will put you into the donut hole
- You must pay **100%** of all costs until you have spent **\$4,550** (assuming you do not have donut hole coverage)
- After you have spent \$4,550, the insurance will cover 95% of your drug costs
- This amount is calculated annually. There is no carryover to the next year
- By 2020 the politicians say no more donut hole



Formulary Tiers

- Part D providers are not required to pay for all covered Part D drugs
- Each provider creates their own formulary
- 3 to 5 tiers within their formulary
- Tier 1 is the lowest cost and will usually cover generic medication
- Tiers are determined by the provider and the contract they have with the drug manufacturer



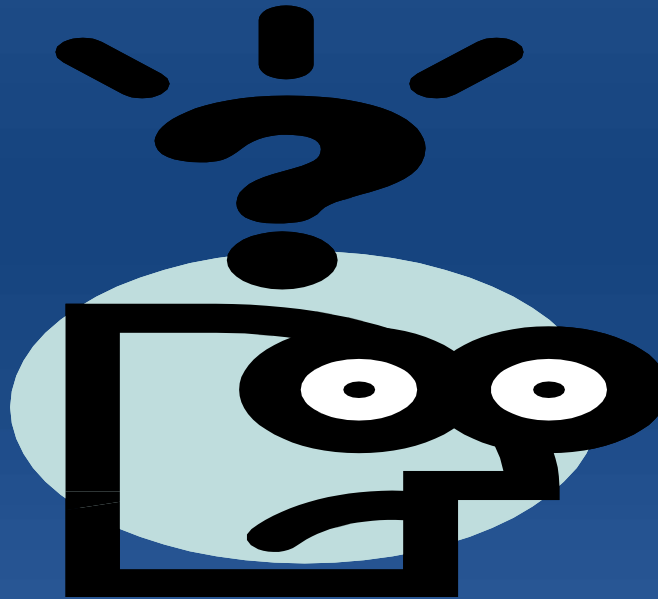
Excluded Drugs

- Some medications might not be covered by your provider
- Examples are weight gain, weight loss, fertility (does anybody want to get pregnant when covered by Part D?), barbiturates, hair growth, and symptomatic relief



ARE YOU CONFUSED?

- Are there any questions?





Preparing to Shop

- Get all of your current medicines together
- Write down the name of the medication and the dosage
- After you have prepared the list, save it
- Find the date you first received Part B Medicare coverage
- Your Medicare Card has the date



SHOPPING

- Turn on your computer (if you have one)
- If you do not have a computer you can join the Palmia Computer Club
- Applications are at the door, \$20 for a single person, \$30 for a family
- You will have free access to a computer, a printer, and the internet
- I will personally guide computer club members through the Part D shopping process (by appointment only on Saturday October 16)
- Join today and your dues will be good through 2011



Shopping

- After your computer is turned on, open your internet browser
- If you do not know what an internet browser is, that is another reason to join the Palmia Computer Club
- Enter **medicare.gov** as the web address
- Find the box that states **Medicare Benefits**



Shopping

- Do not get frustrated!
- Any questions?





Shopping

- Click on **Part D Prescription Drug Plans**
- Click on **Compare Drug and Health Plans & Medigap Policies**
- You are now on a page titled **Medicare Plan Finder**
- You can enter your zip code if you do not want to personalize your search and click on **Find Plans**
- I do not recommend this method as it takes much longer to reach a conclusion



The Medicare Plan Finder

- Personalize your search
 - 1) Your Zip Code
 - 2) Your Medicare Number
 - 3) Your Last Name
 - 4) Effective Date for Part B (it is on your Medicare Card)
 - 5) Your Date of Birth
- Click on Find Plans



The Medicare Plan Finder

- This is a four step process for finding the lowest cost provider
- By personalizing your search you are in step 2 of the 4 step process
- Enter the drugs you are currently taking
- Enter the dosage of each medication
- After entering this information
- Click on **My Drug List is Complete**



The Medicare Website

- You will be directed to a page indicated as step 3 of 4
- This page will show you the pharmacies in our neighborhood
- Click on **“I don’t want to add pharmacies now”**



The Medicare Website

- You are now on Step 4 of 4, also known as **Refine Your Plan Results**
- Go to the far left hand column that has the heading **Update Plan Results**
- Look for the box that states **Select Plan Types**
- **Unclick the first two choices**
- **The only box checked is Prescription Drug Plans**



The Medicare Website

- Go to the box near the bottom of the column **Select Drug Options**
- Click **Provide Mail Order Pricing For Drugs**
- Mail order pricing is always lower than local pharmacies (my prescriptions are 33% less)
- You can still purchase medications at your local pharmacy when necessary



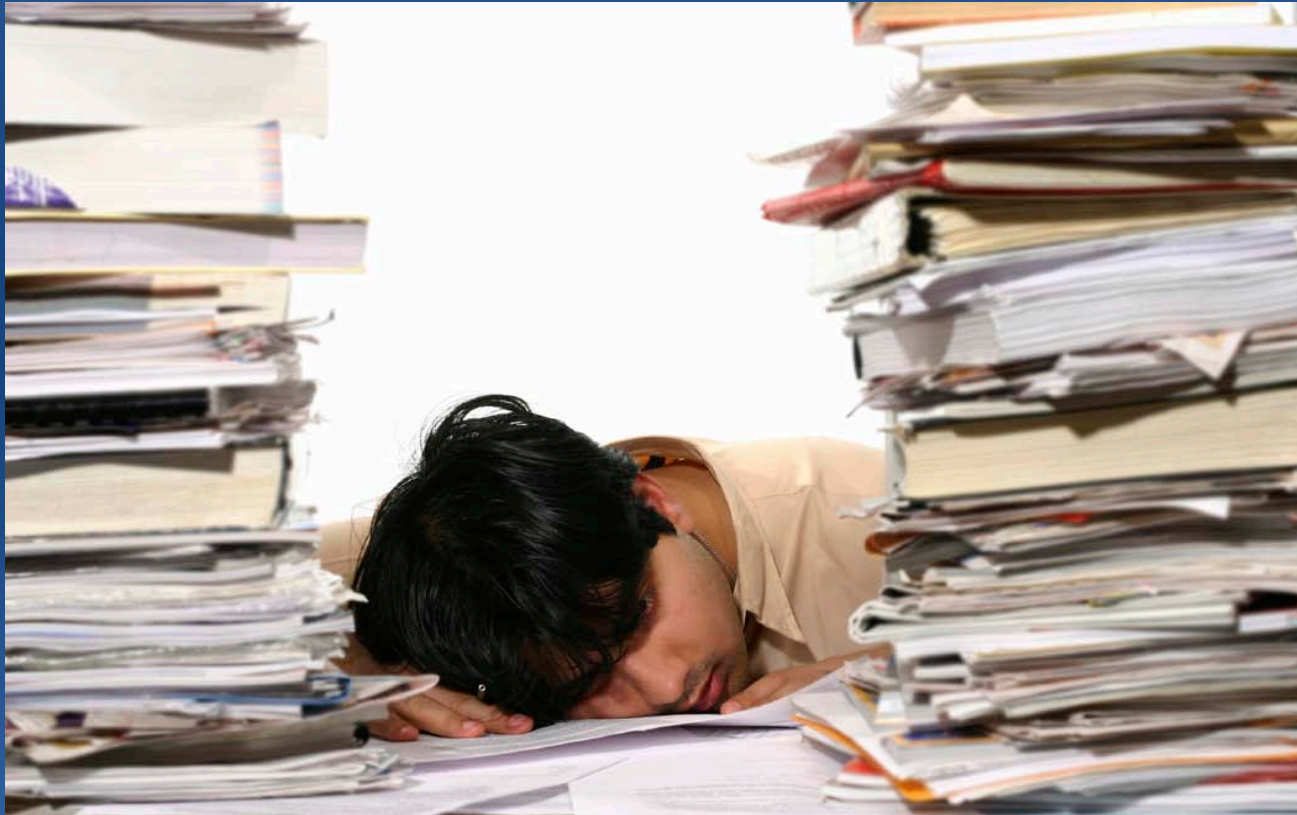
The Medicare Website

- Click on **Update Plan Results**
- Click on **Continue to Plan Results**
- Your current plan, if you have one, will be at the top of the list
- If you do not have a plan, the least expensive provider will be at the top
- If the **Original Medicare** plan is listed
- Click on the – (minus) sign next to **Original Medicare**
- This box is not needed for cost comparison



QUESTION TIME!

- Are you suffering from information overload? Any questions?





The Medicare Website

- Because our medications can change during the year, I am more concerned with the annual premium
- The list of plans provided by the government will start with the lowest price
- Check the box next to the plans that are of interest to you
- I suggest you check the lowest priced 3 or 4 plans



The Medicare Website

- Get out your trusted pencil and paper
- We were schooled in how to add and subtract without a calculator so this is an easy exercise
- In the first column is the annual drug cost, write that down if you do not want to purchase your medications by mail
- In the second column is the monthly premium, write that down and multiply it by 12 so you can determine your annual premium



The Medicare Website

- The next column will indicate if there is an annual deductible, write that down
- The only other cost to consider is your prescriptions



The Medicare Website

- We are almost finished trying to save \$\$





The Medicare Website

- After checking the boxes next to the plans of interest
- Click on **Compare Plans**
- Your next page will be titled **Your Plan Comparison**
- Click on the tab **Drug Costs & Coverage** (It is the third tab)



The Medicare Website

- Look at the box that states **Annual Drug Costs**
- What Medicare failed to tell you, this is not the lowest possible cost
- In the box titled **Annual Drug Costs**, click on View costs at mail-order and retail pharmacies

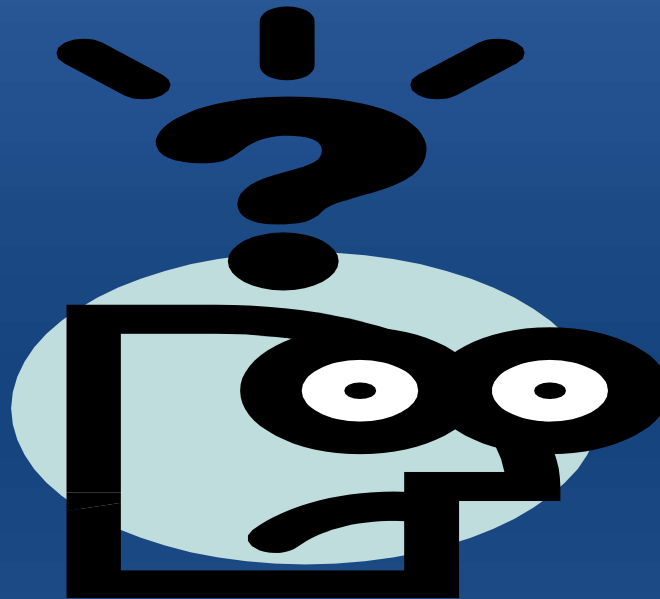


The Medicare Website

- You now have a true picture of what your medicines will cost you, on an annual basis, when purchased by mail order
- Look at the box, Full Year Cost at Mail Order Pharmacy
- Add that number to the annual premium and you will have your total annual out of pocket expense, based on your current meds



ANY QUESTIONS?





Do You Need Help?

- If you want my help & you belong to the computer club, sign the appointment sheet for 10/16, located next to the membership apps
- If you are not a member, join the computer club, & sign the appointment sheet
- If you are a computer club member I can email this presentation to you and you can print the instructions

