

CONGRESSMAN PETE STARK

SPECIAL REPORT ON MEDICARE'S NEW DRUG PLAN



October 2005

Dear Friend:

Starting January 1, 2006, Medicare will offer prescription drug coverage through new private drug plans and through Medicare managed care plans (now called "Medicare Advantage" plans).

I opposed the law that created this program because the drug benefit is inadequate, overly complex and was set up to maximize profits for the pharmaceutical and HMO companies rather than maximizing help to Medicare beneficiaries.

That being said, people need to be armed with the information necessary to make the best decision about whether to join and – if so – which plan may best meet their needs.

Whether you are a senior, a person with a disability or someone trying to help a parent or friend, I encourage you to carefully research the available options **BEFORE** making a choice. Most people have until May 15th, 2006 to sign up for a plan before late enrollment penalties apply, so take your time, check your facts and know your options.

I've tried to gather some basic information to help you face these complicated choices. I hope it is helpful.

Sincerely,

A handwritten signature in black ink that reads "Pete Stark".

Pete Stark



**TAKE YOUR
TIME**



**CHECK YOUR
FACTS**



**KNOW YOUR
OPTIONS**

IMPORTANT CONSIDERATIONS: THE NEW DRUG BENEFIT

Whether to enroll in a Medicare prescription drug plan depends upon what kind of coverage, if any, you have today.

If you have prescription drug coverage through a retiree plan:

Check with your former employer about your options before doing anything. If you are happy with your employer coverage, and it is continuing, you should not need to do anything.

CAUTION: If you drop your employer or union health coverage, you may not be able to rejoin it later.

If you are on Medi-Cal and Medicare:

Your Medi-Cal drug coverage will end on December 31, 2005 and your new Medicare-based coverage will begin on January 1, 2006. Once information is available on options in our area, you should choose the plan that best suits your needs.

CAUTION: To receive free premiums, you will need to pick a plan with average or below average premiums. If you fail to choose a plan, you will be automatically assigned to a plan. You will be able to change plans monthly if need be.

If you are enrolled in a Medicare Managed Care plan (such as Kaiser, etc.):

Your plan will send you information about your options this month. If you want to stay with your current plan and it offers a prescription drug plan, you may enroll.

If you do not want to remain in that plan, you may either enroll in a different Medicare Managed Care plan or return to traditional Medicare and select a private drug plan.

If you currently do not have prescription drug coverage:

Evaluate your needs and investigate your options, but remember monthly premiums will be higher if you do not enroll by May 15, 2006. You will also want to determine if you are eligible for limited income assistance.



EXTRA ASSISTANCE FOR PEOPLE WITH LIMITED INCOMES

Help with paying for Medicare drug plans is available for people with limited incomes. You may qualify for this assistance if:

Your 2005 income is less than \$14,356 for an individual / \$19,245 for couples and you have limited assets.

If you think you may be in this category, you should call the Social Security Administration at 1-800-772-1213 or visit them online at www.socialsecurity.gov for more information.

**CLIP AND SAVE
THIS IMPORTANT
INFORMATION**



Organizations that can help:

- Health Insurance Counseling and Advocacy Program (HICAP): 510-839-0393 or toll free at 1-800-434-0222
- Medicare: 1-800-MEDICARE (633-4227)
- Social Security Administration: 1-800-772-1213

Have the following personal information at hand when you call:

- Medicare identification number (on your Medicare card)
- Drugs you currently take, the dosage and what you pay for them
- Your refill schedule and preferred method of receiving prescriptions (at the pharmacy or via mail-order)
- Your annual income, and a basic accounting of your personal assets in case you qualify for low-income assistance

Informational Web Sites:

- Medicare: www.medicare.gov
- Social Security: www.ssa.gov/prescriptionhelp
- HICAP: www.calmedicare.org



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Pete Stark
M.C.
PRESORTED STANDARD

IMPORTANT DATES TO REMEMBER

October 1, 2005

You will begin receiving information on drug plans available in your community

November 15, 2005

The enrollment period for Medicare Drug Benefit (Part D) begins

December 31, 2005

The last day to enroll to have coverage that begins on January 1, 2006

January 1, 2006

Coverage begins for beneficiaries who enrolled by December 31, 2005

May 15, 2006

Last day to enroll in a Medicare drug plan without incurring a 1% per month premium surcharge and last day to enroll to receive any benefits in 2006

November 15, 2006

The open enrollment period for Medicare Drug Benefit (Part D) begins for 2007. This is also the first opportunity for those who enrolled in a Medicare drug plan for 2006 to switch plans if they wish.

PETE'S TOWN MEETINGS

SATURDAY, OCTOBER 22, 2005

FREMONT

9:00 – 10:30 a.m.

Fremont Senior Center
40086 Paseo Padre Parkway

SAN LEANDRO

11:00 a.m. – 12:30 p.m.

San Leandro Library
Dave Karp Senior Room
300 Estudillo Avenue