



## **MAKING MEDICARE MAKE SENSE**

*Answers To Some of The Most Commonly Asked Medicare Questions*

**Q:** How much will the premium for my Medicare prescription drug plan be in 2009?

**A:** The Medicare Part D prescription drug program is entering its fourth year, and beneficiary satisfaction with the program continues to be very high. For 2009, CMS estimates that the average monthly beneficiary premium for standard Part D coverage in 2009 will be \$28. This is about 37 percent lower than originally projected when the benefit was established in 2003. The original projection for 2009 was \$44.12, The estimated \$3 premium increase from what the current (2008) average monthly premium is for a Part D plan, \$25, is because of general trends in drug costs as well as other factors such as higher prescription drug plan estimates to cover catastrophic health care based on prior experience. About 97 percent of beneficiaries enrolled in a stand-alone prescription drug plan (PDP) will have access to other Medicare drug plans that would cost them the same or less than they are paying this year. The majority of beneficiaries could avoid any premium increase in 2009 by enrolling in a lower-cost stand alone prescription drug plan in their region. Moreover, many Medicare beneficiaries have access to a Medicare Advantage prescription drug plan (MA-PD) with lower prescription drug premiums. The MA-PD premiums continue to be lower than PDP premiums. In 2009, they will be about \$11 lower.

Beneficiaries will still to have access to plans that offer enhanced coverage next year. While all Medicare beneficiaries, no matter where they live, will continue to have access to plans that offer gap coverage of generic drugs, they will have to pay the cost of this enhanced coverage.

There will be good deals available to people with Medicare, so everyone should review their current plan and coverage when they get their annual notice in the fall and compare it against other available plans.

It's important to remember that beneficiaries with low incomes can receive valuable extra assistance with their drug plan premiums and cost sharing. Nearly 10 million beneficiaries are currently receiving drug coverage for little or no cost through the Low-income Subsidy (LIS) benefit. Eligible low-income enrollees also receive coverage during the coverage gap at minimal or no cost.

In some cases, the premium for the plan in which an LIS beneficiary is enrolled during 2008 (or the current year), may increase above the premium subsidy amount in 2009. In such cases, if the beneficiary did not affirmatively choose to stay in that plan, or choose another plan, the beneficiary will be assigned by CMS to a new plan sponsor in their coverage area effective January 1, 2009, where the beneficiary can continue to receive prescription drug benefits at no cost. And, any beneficiary who is auto-enrolled in a plan always remains free to switch to another plan if they choose.

Because prescription drug plans' premiums and benefits may change every year, as well as one's prescription drug needs, Medicare beneficiaries should compare their plan options based on cost, coverage and convenience during the annual enrollment period that runs between November 15, and December 31. There are national and local resources available for comparing plan options every year. The details of the 2009 Medicare prescription drug plan options in your region will be available around the beginning of October.

"Measured by enrollment, lower costs than originally expected and persistently high satisfaction rates, the Part D drug benefit program has in short become a stable, familiar and vital part of Medicare," said CMS Acting Administrator Kerry Weems. "Beneficiary experience in Part D continues to be good, with millions of people getting the prescription drugs they need," Weems said.

CMS will continue to provide up-to-date information about their plan benefits at [www.medicare.gov](http://www.medicare.gov) and 1-800-MEDICARE (1-800-633-4227) and beneficiaries will receive their annual *Medicare & You 2009* handbook in October.