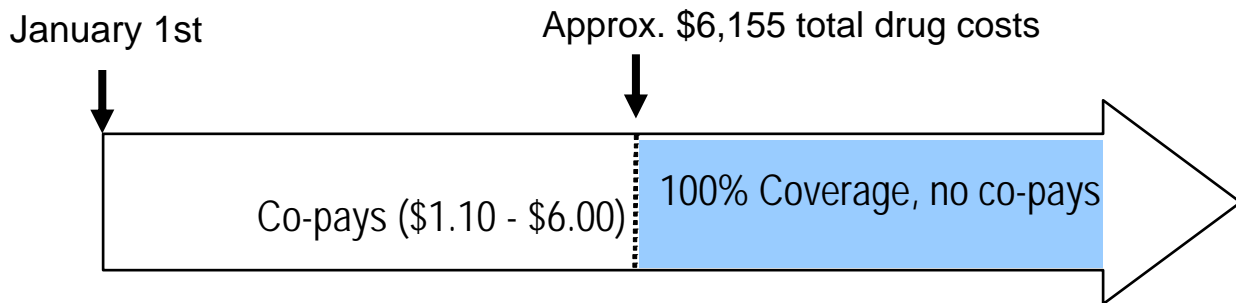


# Handout A - 2009

Medicare Part D costs for a person with a full subsidy.

Full subsidy individuals include individuals:

- With both Medicare and Medicaid
- With full extra help from Social Security
- In a Medicare Savings Program\*



There is no coverage gap, donut hole, or initial coverage limit for any Part D enrollee with Medicaid or a subsidy.

There is no premium for your plan, as long as you choose a low cost plan.

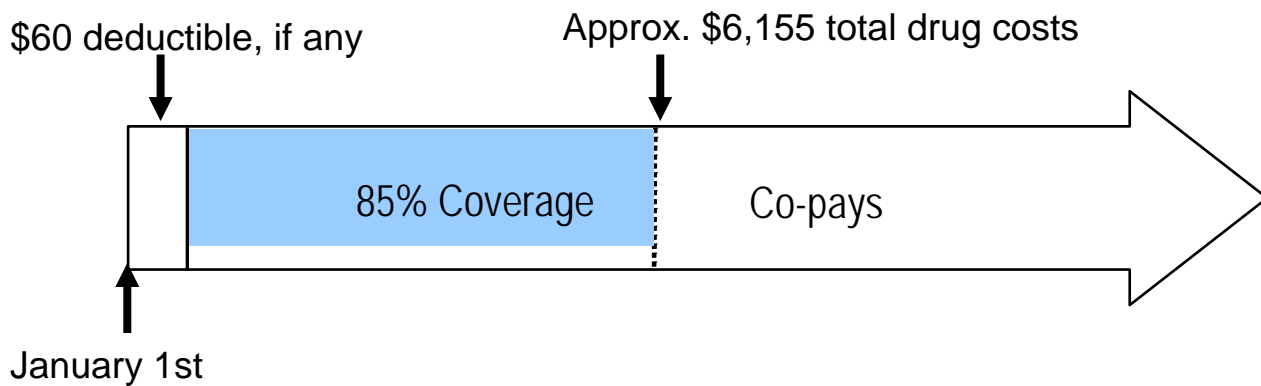
Co-pays vary depend on your income and whether you have both Medicaid and Medicare:

- You will pay either:
  - \$1.10 for generics and \$3.20 for brand names or
  - \$2.40 for generics and \$6.00 for brand names.
- You will pay no co-pays (\$0) if you are in a nursing home or you are institutionalized.

\* Medicare savings programs--QMB, SLMB, or SLMB+--- pay for some of your Medicare expenses. All of them pay for your Part B premiums. Some of them may also pay for Medicare co-pays and deductibles.

## Handout B - 2009

### Medicare Part D costs for a person with a partial subsidy (“extra help”) from Social Security



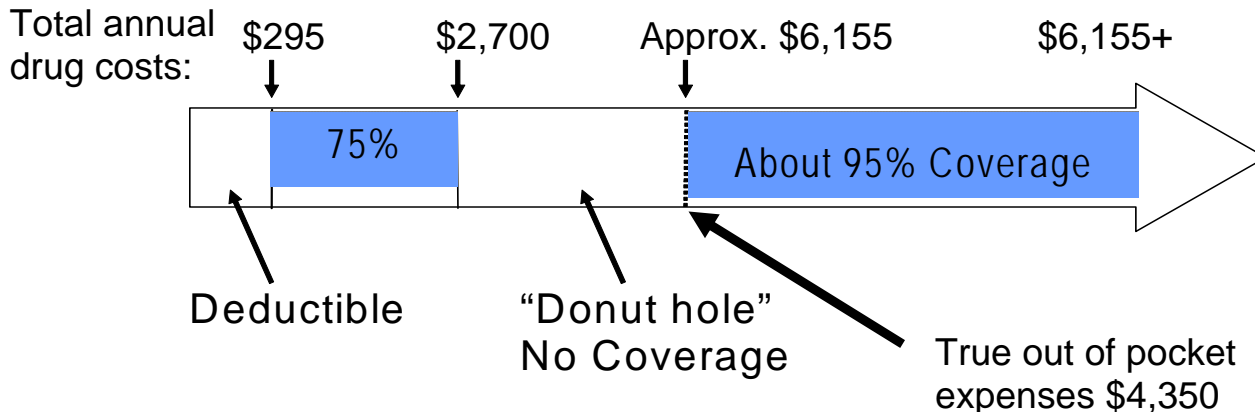
There is no coverage gap, donut hole, or initial coverage limit for any Part D enrollee with Medicaid or a subsidy.

You will pay:

- Reduced monthly premiums on a sliding scale,
- a maximum of a \$60 deductible (if your plan has a deductible),
- 15% of the cost of your drugs until the total costs for your drugs - what you pay and what Medicare pays - reaches about \$6,155.
- Then you will pay about 5% of your drug costs or \$2.40-\$6.00 for each prescription.

# Handout C - 2009

## Medicare Part D costs for a person without Medicaid or extra help



Many plans are different from this basic structure. See the Wisconsin Stand-Alone Prescription Drug Plans chart for an overview of the plans and their costs. The main parts of the plans are explained below:

- **Monthly premiums** are the amount you pay each month to be in the plan.
- **Deductibles** are the amount you pay for prescriptions *before* your coverage starts. Many plans have no deductible or a reduced deductible.
- **Initial Coverage Periods.** Plans have an initial coverage period after you have met your deductible (if any) that lasts until your total prescription drug costs for the year (what you pay plus what your plan pays) reach approximately \$2,700 or sometimes more depending on the plan.

In your initial coverage period, you pay co-insurance and/or co-payments. Most plans have drug tiers where you pay co-pays for your drugs. Usually, a generic drug is in the cheapest drug tier: tier 1. Brand name drugs will be in higher tiers: tiers 2, 3, or 4. You will pay more for higher tier drugs.

- **Coverage Gaps.** The Medicare Part D coverage gap is often called the "donut hole." For most plans, after your total prescription drug costs for the year (what you pay plus what your plan pays) reach \$2,700, you pay 100% of the costs of your prescriptions, while continuing to pay your monthly premium. Many plans cover the costs of generic drugs during the coverage gap.
- **The coverage gap ends once you have spent \$4,350 out of your pocket on prescriptions in one year.** During the coverage gap, you must make sure your drugs are covered and the plan knows you are paying for them in order for it to

count toward the \$4,350 out of pocket. All of your co-pays and your deductible count toward the out of pocket limit. It is usually met once your total drug costs for the year reach \$6,155. You should receive monthly statements from the plan showing how much you have spent out of pocket. It is important to review this notice and ensure it is correct. Drugs purchased outside of the United States or received from Patient Assistance Programs do not count toward your total out-of-pocket expenses.

- **Catastrophic coverage.** The plans all have the same catastrophic coverage. Once you have spent \$4,350 out of your pocket on prescriptions in one year, all plans must provide catastrophic coverage where you pay \$2.40/\$6.00 co-payments or 5% coinsurance for covered drugs, whichever is greater, for the rest of the year.

Your drug costs will depend on how expensive your drugs are in a year. If your drugs typically cost less than \$2,700 in one year, then you might not reach the coverage gap unless you unexpectedly have more prescription drug costs. If you have very high drug costs, then your costs for the year will equal your monthly premiums + \$4,350 + 5% of the cost of your remaining prescriptions.