

ASK THE EXPERT

Medicare Rx Benefit

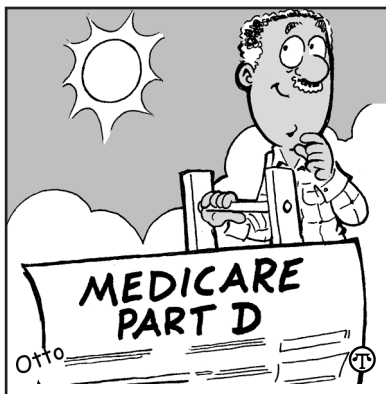
Maximizing Medicare Drug Coverage

(NAPSA)—**Q: I have a Medicare Advantage Plan and it covers prescription drugs. Do I still sign up for Medicare Part D?**

A: If your Medicare Advantage Plan (like an HMO) already covers prescription drugs, you may not need to buy extra drug coverage. If, however, your Medicare Advantage Plan only pays for a small amount of your prescription drug costs, then you may want to find a plan with more coverage. I'd suggest that you compare your Advantage Plan to other Medicare prescription drug plans (Part D) and determine which plan best meets your needs. If you have further questions, you can reach a Medicare counselor by calling 1-800-MEDICARE.

Q: What will Part D cost?

A: Medicare prescription drug plans must provide, at a minimum, a standard level of coverage. Premiums will, however, differ by plan. The estimated average monthly premium for 2007 is \$24, according to the Centers for Medicare & Medicaid Services (CMS). The standard benefit includes a \$265 deductible, then you pay 25 percent of the yearly drug costs from \$265 to \$2,400. (The plan pays the other 75 percent of these costs.) Once you reach



\$2,400 in total drug costs (not including the premiums), there is a gap in some Medicare plans. If you have a plan with a gap, you will be responsible for costs up to \$5,451 in total drug costs for the year. After you get through the gap, your plan's catastrophic coverage kicks in and you will receive 95 percent coverage. Those who qualify for extra help due to limited income and assets can receive help through subsidies. These low-income subsidies help pay for all or part of the monthly premium and deductible, as well as covering the gap and lowering the prescription co-payments.

Answers are provided by Sandy Markwood, Chief Executive Officer of the National Association of Area Agencies on Aging.