

## Is Medicare Part D worth it? Experts say, 'Yes.'

Depending on when you read this article, you may just have a few days left to sign up for Medicare Part D, the new drug insurance plan—if you haven't done so already.

As of this writing, if you miss this deadline, you have to wait until November 15 to sign up, and you get no benefits until January 1, 2007. Plus, late sign-up is accompanied by a penalty on premium, equal to 1 percent a month for each month of delay, or in the case of retirees who miss the May deadline and sign up in November, 7 percent times the average monthly premium. This could amount to another \$25 to \$30 a year.

Medicare Part D Prescription Drug Plans are offered to everyone with Medicare, regardless of income and resources, pre-existing conditions or current prescription expenses. You choose whether or not to participate.

*Note: If you have coverage through a former employer or union, you might not need to join a Part D plan. Also, you'll have drug coverage if you belong to a Medicare HMO. If you're on Medicaid, you'll automatically be assigned a plan. You don't need to pick one.*

Plans vary and so do premiums. Generally, the higher the premium, the less you pay in co-pays and deductibles.

Why is this coverage a good deal?

- **The plans will reduce your drug costs.** If you are taking expensive drugs, the new Part D plans will cut your costs. They really work. And remember, under Part D, once you reach more than \$3,600 in drug costs (plans usually pay a portion of this), the government picks up as much as 95 percent of additional costs for the rest of the year.
- **Part D is better than Medigap drug coverage.** Experts say the new Part D drug coverage is better than any current coverage you might have under a supplemental Medicare plan. Obviously, you should compare.
- **Your health might deteriorate.** There are some arguments to wait if your current drug costs are below \$750 a year. However, if you wait, the penalty grows (see above) and a sudden illness or long-term health issue dependent on drugs wouldn't be covered until you had Part D. Nobody knows the future.
- **The choice in plans means you can find one right for you.** Yes, there are too many choices, and the choices can be overwhelming and confusing. Some 260 companies offer plans. Many of these companies offer more than one plan. But with the right help, and a list of the medications you take, you can select the best plan for your situation.

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This may not be easy, but it will be worth it. Seek the help of your insurance agent, friends and family as you examine all the options and try to make the best decision. One consolation: If you don't like your plan, you can change it once a year.

#### **Helpful web sites**

- **The official U.S. Government Medicare site.** More information about how Medicare works from the official Medicare Web site. [www.medicare.gov](http://www.medicare.gov)
- **The Centers for Medicare and Medicaid Services (CMS).** The Federal agency within the U.S. Department of Health and Human Services that administers Part D. [www.cms.hhs.gov](http://www.cms.hhs.gov)
- **Sites of companies offering plans.** Many companies that offer plans also have calculators on their sites that will help you determine your total out-of-pocket costs based on the drugs you take.

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