

# Important Information for Professionals about the New Medicare Prescription Drug Program and Low-Income Subsidy (LIS)

The new Medicare Prescription Drug Program (Medicare Part D) will begin on January 1, 2006. This program, like other insurance, will cover part of the cost of prescription drugs that patients take now, should take but can't afford, or may need in the future, as their health or treatment changes. Anyone with Medicare Part A and/or Part B is eligible. Patients deemed to have limited income and resources will get extra help through a subsidy that helps pay for premiums, deductibles and co-payments. This extra help is also known as "low-income subsidy." That subsidy has been estimated to have an average value of \$2,000 per year.

During June CMS began mailing letters to notify those with limited income that they have been recognized as eligible for this subsidy and that they will *not* have to apply for it. CMS is sending three different letters, all of which have the following headline:

## Important Information from Medicare about Paying for Prescription Drugs

The three letters indicate whether CMS believes that the patient:

- Has **Medicare and Medicaid and Medicaid now pays for prescription drugs** (dual eligible);
- Gets help **from the state paying Medicare premiums** (has a Medicare Savings Program—QMB, SLMB, or QI); or
- Gets **Supplemental Security Income** (SSI).

To view these letters visit [www.cms.hhs.gov/medicarereform/lir.asp](http://www.cms.hhs.gov/medicarereform/lir.asp). If you know any patients who get any of these benefits and did not get a CMS letter, ask them to call 1-800-MEDICARE to check on their "deemed" status.

This summer, Social Security is mailing letters and applications to others with limited income who may qualify for extra help:

- Single Medicare patients with incomes less than \$14,355 and assets less than \$11,500
- Couples with incomes less than \$19,245 and assets less than \$23,000

Those who believe they may qualify for extra help and who did not receive this letter, should call Social Security at 1-800-772-1213 to ask for an application. Starting July 1, patients can fill out an online application in English or Spanish at [www.socialsecurity.gov](http://www.socialsecurity.gov). You can find a sample application and instructions (in 15 languages) at <http://www.ssa.gov/prescriptionhelp/>. The sooner patients apply for the subsidy, the sooner they will learn if they qualify.

Social workers should ask patients to bring any letters they receive from CMS or Social Security and a copy of their application for extra help to you. **By keeping a copy of these important papers in your files, you can be sure your patients are getting the help they deserve to pay for their drugs and have proof of what they received or filed if questions arise later.**

We wanted to make you aware of these letters in case you get questions from your patients who may receive them and to alert you in case patients don't receive letters they should.

## KEY DATES AND DEADLINES

**May 20–August 31, 2005** CMS sends letter to those it believes qualify for the low-income subsidy ("extra help").

**May 25–August 31, 2005** SSA sends applications to those it believes qualify for the low-income subsidy ("extra help").

**July 1, 2005** SSA begins taking applications for low-income subsidy and notifies applicants of outcome 2-3 weeks after receipt of the application.

**Late summer–early fall** Employers send letters to employees, retirees, and covered spouses about whether coverage is equal to or better than Medicare Part D ("creditable coverage").

**September 15–November 15** Medigap plans send letters to policyholders about whether coverage is creditable.

**October 7–20, 2005** Medicare beneficiaries get *Medicare & You 2006*.

**October 13, 2005** Prescription Drug Plans (PDPs) and their formularies are on [www.medicare.gov](http://www.medicare.gov) and at 1-800-MEDICARE.

**October 27–November 10, 2005** CMS sends auto-enrollment notice to those with Medicare and Medicaid who need drug coverage January 1, 2006. (*Note: Dual eligibles can change any time.*)

**By October 31, 2005** Medicare Advantage plans notify members of changes in benefits/drug coverage.

**November 15, 2005** PDPs start accepting applications for Medicare Part D. (*Note: All but dual eligibles can change November 15–December 31 annually.*)

**December 31, 2005** This is the last day to sign up for Medicare Part D for coverage January 1, 2006. After this date coverage starts the month after application.

**January 1, 2006** Medicare Part D coverage starts for anyone who signed up by December 31, 2005.

**Before May 15, 2006** CMS chooses a plan for non-Medicaid MSP, SSI or those with low-income subsidy who have not signed up for Part D (*Note: They can change November 15–December 31 annually.*)

**May 15, 2006** End of open enrollment for anyone who had Medicare on November 15, 2005

**6 months after getting Medicare** End of open enrollment for anyone new to Medicare after November 15, 2005

This information has been provided by the Kidney Medicare Drugs Awareness and Education Initiative. The initiative is comprised of a group of more than 35 kidney organizations and companies who have joined forces to help people with kidney disease and the health care professionals who care for them understand the new Medicare benefit.

For more information, visit [www.kidneydrugcoverage.org](http://www.kidneydrugcoverage.org). If you do not have access to the Internet, visit your local library or ask someone to look up information for you. If you have questions, you can e-mail us at [info@kidneydrugcoverage.org](mailto:info@kidneydrugcoverage.org). Please put the word "question" in the subject line.