
Medicare Prescription Drug Coverage? Here Are Answers to 5 Important Questions

Contributed by Douglas Hanna
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The new Medicare Plan D Prescription Drug Coverage Program has created a lot of confusion. But there are five basic questions where you need to know the answers. Here are those questions and answers.

Who can join this Medicare prescription Drug plan?

Medicare says that everyone over 65 who has the Original Medicare Plan, a Medicare Private Fee-for-Service Plan that doesn't offer prescription drug coverage, or a Medicare Cost Plan, can join a Medicare Plan D in their area.

How much will my Plan D Prescription Drug Coverage cost?

Here's where it gets complicated. While there are many plans that have been certified by Medicare, not all plans are available in all states. This means you must pick a plan that's available in your state. Each of these plans determines how much to charge. However all drug plans must offer coverage at least as good as the Medicare minimum standard coverage. This minimum standard coverage requires you to pay a monthly premium, and the first \$250 per year for your prescriptions. This \$250 is called your deductible.

For example, here in Colorado, there are 20 different plans available. The monthly premium for these plans ranges from a low of \$0 to a high of \$65.88.

What do these drug plans cover?

Each plan provider also determines which drugs will be covered. The list of drugs covered by a plan is called a "formulary." Each plan's formulary typically lists each drug covered by the drug's brand or generic name and whether or not a co-pay is required. For example, the AARP Medicare Plan lists 25 analgesics (pain relievers), ranging from ibuprofen which requires a \$5 co-pay to Celebrex with a \$55 co-pay.

What is the Plan D "donut hole" I keep hearing about?

After you pay your \$250 deductible, you pay 25% of your yearly drug costs from the \$250 to \$2,250, and your prescription drug plan pays the other 75%. You then pay 100% of the next \$2,850 in drug costs. This is the donut hole.

Then, after you have spent \$3,600 out of pocket, you pay only 5% of your drug costs (or a small co-payment) for the rest of the calendar year.

How do I pick a plan?

Unfortunately, the burden is on you to research and compare the plans available in your area. If you have access to the Internet, you can go to www.medicare.gov, click on Landscape of Local Plans, and on your state. You will then be shown all the plans available in your state with each plan's monthly premium and information on its deductibles and benefits.

Here's something that's simpler and a lot more fun. Plan to vacation this year in Denver. A Denver vacation offers the best of both worlds-- there are the fun things to see and do you find only in a big, bustling city and the spectacular scenery and vistas offered by our nearby Rocky Mountains. For more information on a great Denver vacation, just go to <http://www.best-denver-vacation.com>.

Douglas Hanna has lived in the Denver metro area for more than 30 years and is an expert on both Denver and Colorado. He is also the author of more than 100 ezine articles on a variety of subjects.

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