helping you make the most of your life after 50

medicare drug discount card
helping those with limited incomes

millions of people on medicare can get a $600 credit in both 2004 and 2005 to help pay for their prescription drugs.

are you one of them?
There is a new Medicare benefit. It will help people with Medicare and limited incomes pay for prescription drugs.

The Medicare prescription drug benefit has two stages. The first stage starts in May 2004. In the first stage, you can sign up for a Medicare-approved drug discount card that could help you with some of your prescription drug costs. This drug discount card will be good from June 2004 until December 2005. It will be free to sign up for people with limited incomes. Others will have to pay up to $30 a year for the discount card. This program may give you a $600 credit in 2004 and another $600 credit in 2005 to help pay for your drugs.

The drug discount card will phase out after December 2005. In January 2006 the next stage starts. It is the Medicare Part D prescription drug benefit. Many people with limited incomes will get extra help from the Part D benefit also.
Who Can Get Extra Help?
The discount cards give extra help to people with Medicare and limited incomes. The extra help is a $600 credit in 2004 and up to another $600 credit in 2005. This credit is available to people with certain incomes in 2004. Here is how you can find out your income for 2004:

Add all the money you and your spouse get each month from:

- Social Security Check: __________________
- Retirement Benefits: __________________
- Pay from a job: __________________
- Veterans Benefits: __________________
- Interest Income: __________________
- Other: __________________

Total: __________________

Multiply the total by 12: __________________

Medicare-Approved Drug Discount Cards For 2004 and 2005

Private companies will offer the Medicare discount cards. There will be many cards to pick from. You can only pick one Medicare discount card.

Each discount card might be a little different. Some examples are:

- Some cards can only be used at certain pharmacies.
- The amount of the discount on a drug could be different from card to card. The cards could save you about 10% to 15% on your overall costs.
- A drug you take may not be discounted on all cards.

You need to compare the cards to pick one that meets your needs.
Who CANNOT Get The Discount Card and Credit – Some Exceptions

- If you don’t have Medicare, you cannot get the discount card and credit.
- If a state Medicaid program helps pay for your prescription drugs, you cannot get the discount card and credit.
- If an employer or the federal government helps pay for your prescription drugs, you cannot get the credit.
- If Veteran’s Affairs (VA) or military retiree health (TRICARE) helps pay for your prescription drugs, you cannot get the credit.

How Does The Credit Work?

You get a $600 credit on your card in 2004 (June – December). In 2005, you could get a $600 credit again on your card (January – December). The exact amount you get in 2005 depends on when you sign up. You will get a full $600 credit in 2005 if you signed up in 2004 or early in 2005. At most, this is a total of $1,200 for 19 months (June 2004 - December 2005). The credit can be used to buy any of your prescription drugs.

A Timetable For How Much Your Credit Will Be

<table>
<thead>
<tr>
<th>Apply Between</th>
<th>You Receive</th>
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<tr>
<td>May 3 and December 31, 2004</td>
<td>$600 for 2004 &amp; $600 for 2005</td>
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<tr>
<td>January 1 – March 31, 2005</td>
<td>$600 for 2005</td>
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<tr>
<td>April 1 – June 30, 2005</td>
<td>$450 for 2005</td>
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<tr>
<td>July 1 – September 30, 2005</td>
<td>$300 for 2005</td>
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<tr>
<td>October 1 – December 31, 2005</td>
<td>$150 for 2005</td>
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You can probably get the credit if your total is no more than:

- $12,569 for one person, or
- $16,862 for a married couple

and you do not fit into one of the small groups on the next page.

- In Alaska, your income can be no more than $15,701 for one person and $21,074 for a married couple.
- In Hawaii, your income can be no more than $14,445 for one person and $19,386 for a married couple.
- If you live in Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa or the Northern Mariana Islands, different rules might apply. Call Medicare at 1-800-633-4227 for more information. TTY/TDD users should call 1-877-486-2048.
- In the spring of 2005, the income levels will change.

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If you use all of the credit, you can still use your discount card to get discounts on your prescription drugs. The discount will likely be about 10% – 15% on your overall costs. Some discount cards may offer special deals for people after they use all of their credit. Ask about special deals when you are signing up.

How Do I Get The Credit?

To get the credit, you need to sign up for a Medicare discount card. Each company that offers a card will have an enrollment form. This form will have a part for you to fill out if you want the credit. When you know what discount card you want, call the card’s company and ask for the discount card enrollment form. You can also go to the company's website for the drug discount card enrollment form. Using this form, you will list your income, the size of your family and the name of any other programs that help you pay for your prescription drugs. You do NOT have to turn in extra paperwork when you send it in.

After you send your form to the company, Medicare will decide if you can get the card and the credit. If you can get the discount card and the credit, the private company will mail you the card. This card will have an approved Medicare seal on it. You can start using the card and credit as soon as you get it.

If Medicare says you cannot get the discount card OR the credit, you have the right to ask Medicare to review the decision. This is called an appeal. You have to do this quickly.
Compare The Cards

You will likely have many choices for a drug discount card. Here is a guide you can use to compare your choices. There is also a worksheet for you to write in the information you collect. In the end, you should be able to see for yourself what each card will charge you for your prescription drugs at the time you make your decision. Be aware that discount card companies can change what drugs they sell and their discounts at any time.

• To find all the discount cards you can choose from, you should go to Medicare. There are two ways to contact Medicare:
  — Go to www.medicare.gov and choose “Prescription Drug and Other Assistance Programs”
  — Call Medicare at 1-800-633-4227 (TTY/TDD 1-877-486-2048)

• When you know what discount cards you can choose from, you should answer the following questions about each card:
  — Does this card provide discounts on each prescription drug I take?
  — How much will this card charge me for each of my prescription drugs?
  — Does my pharmacy accept this card?
  — Does the card allow me to use it when I travel to other states?
  — Can I use this card to get my prescriptions through the mail?

• Contact Medicare to get the answers or you can do the following:
  — Call the drug discount card company on its 1-800 number or go to its website.
  — Discount card companies may send you the answers in the mail.

What About State Pharmacy Assistance Programs?

Many states have their own programs that help people pay for their prescription drugs. If you get help paying for your drugs from a state program, you should find out how the state program will work with the discount card and the credit. To find out, contact your state’s SHIP (State Health Insurance Counseling and Assistance Program). To find the SHIP in your state, you can:

• Call Medicare at 1-800 633-4227 and press 0 to speak to someone. Tell this person you want the phone number for the SHIP. TTY/TDD 1-877-486-2048.

• Call the Eldercare Locator at 1-800-677-1116. Or visit www.aoa.gov and search on the words “eldercare locator.” This service helps older adults and their caregivers find local support services.
**Other Options Might Save You More Money**

The drug discount card that you choose might not provide you the best price for your prescription drugs. Other cards that you may also have might save you more money. Each time you buy a prescription drug, ask your pharmacist to tell you which of your cards saves you the most money on your prescription. You should do this each time because the discounts can change.

**When Can You Change Discount Cards?**

If you want to change to a new drug discount card, there are only a few times that you will be able to.

- You can change cards one time between November 15, 2004 and December 31, 2004. If you decide to change cards at this time and you have some of the $600 credit left on your old discount card, that amount will be applied to your new card. You should also get the $600 credit for 2005 on your new discount card.

**Compare Your Drug Cards**

<table>
<thead>
<tr>
<th>Name of Drug (including strength and amount, e.g., Lipitor 20 mg, 30 tablets)</th>
<th>What I pay monthly for the drug (including current discounts)</th>
<th>Discount card #1</th>
<th>Discount card #2</th>
<th>Discount card #3</th>
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<tr>
<td>Total Monthly Cost</td>
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**Does the card give discounts for all of my prescription drugs?**

**Where can I use the card – which pharmacies, mail order, what states?**

**Copy this worksheet if you need more space.**

- If you move to a state where your discount card does not work, you can get a new card at that time. If you have some of the $600 credit left, you will get this amount on your new discount card.
- If you leave a nursing home, you can get a card at that time.
- If the private company that is offering the discount card stops the card, you can get a new card at that time. If you have some of the $600 credit left, you will get this amount on your new discount card.
additional benefits that might help you

BenefitsCheckUp – www.benefitscheckup.org
Answer a few private questions on this website. It will then tell you about other federal, state, and local programs you might be eligible for and how to apply. This site is a service of the National Council on Aging.

For Additional Information
Go to AARP’s website at www.aarp.org/prescriptiondrugs or call 1-888-687-2277
TTY 877-434-7598.

Call Medicare at 1-800-633-4227
(TTY/TDD 1-877-486-2048) or go to www.medicare.gov.

learn more…

Visit: www.aarp.org
Write: AARP, 601 E Street, NW, Washington, DC 20049
Call: 888-OUR-AARP (888-687-2277)
TTY 877-434-7598
Join Today! go online to www.aarp.org/join

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