

UNDERSTANDING MEDICARE

Mind The Gap In Medicare Part D: Experts Team Up To Help Patients Manage Prescription Spending

(NAPSA)—With medical costs continuously on the rise, Medicare patients need to become educated about their coverage and plan ahead to manage prescription spending in a smart way. Mary Hunt, financial expert and editor of “Debt-Proof Living,” and Timothy Tucker, pharmacist and Medicare Part D expert, have teamed up to help these patients learn how to wisely manage prescription spending and potentially delay or avoid the Part D phase called the coverage gap—when members must pay 100 percent of their medication costs out-of-pocket.

What is Medicare Part D and the coverage gap?

Medicare Part D helps millions gain affordable access to prescriptions; however, it can be difficult to understand and may lead to thousands of dollars lost.

The standard Part D benefit has three distinct phases:

- In Phase 1, each member pays a deductible, and once that is met, pays for only a small percentage of his or her prescriptions. The average co-pay is 25 percent, and the plan pays the remaining balance. But if expenses reach a pre-determined limit before the end of the year, they arrive at:

- Phase 2, also called the coverage gap. In the coverage gap, Medicare Part D stops paying for any portion of prescription medications. During this phase, members have to pay 100 percent of their medication costs out of their own pocket, unless they have a policy that bridges the gap. Patients on multiple prescriptions are in danger of falling into the coverage gap early in the year.



Once their Medicare prescription out-of-pocket purchases reach a total of \$4,050 in 2008, the gap ends and members arrive at:

- Phase 3, also known as catastrophic coverage. Phase 3 is when Medicare pays 95 percent of prescription costs.

Is it just me?

Members should not feel alone if they find themselves lost in the midst of the Medicare Part D program, especially the coverage gap. Part D can be confusing because many patients don't know which medications contribute to the limit or how to control their medical spending.

Nearly one in five people in Medicare Part D were affected by the coverage gap last year—either they hit the gap or they cut back on needed medication to avoid the gap. A study by Wolters Kluwer Health, a global provider of drug and medical information services, revealed that 16 percent of enrollees chose to discontinue medications rather than switch to generics.

“Medicare members can do more than they think to delay or avoid the coverage gap and manage spending,” said Hunt. “Having a conversation with their doctor

and pharmacist about their medication options to identify savings is a great first step. It's also important to understand what Medicare Part D covers, and save coverage for medications for which there is no alternative—it is possible to save on the essentials.”

What else can I do to avoid/delay the coverage gap?

Hunt offers seniors tips on how to plan ahead and manage their money wisely:

- Control your finances by planning ahead.

- Ask your insurance company and pharmacist to make sure you know how much you are spending on prescription medications.

- Make sure you are choosing the right plan for your prescription needs. Learn about your plan options early in order to effectively manage your spending and save money.

From a medical perspective, Tucker includes:

- Review your medications with your doctor and pharmacist to see where you can identify savings, in order to avoid reaching the coverage gap.

- Talk to your doctor and pharmacist to determine if there are over-the-counter (OTC) medicines available to treat your conditions. For example, if you have a condition such as frequent heartburn (heartburn two or more days a week), you can talk with your doctor and pharmacist about using an OTC medication such as Prilosec OTC.

For more information on the coverage gap and tips on how to avoid it, you can log on to www.ManagePartD.com.