

The Medicare prescription drug benefit is an important new benefit that will provide both brand name and generic medications to all people with Medicare, including people who receive home health care or other personal assistance services in the home. Here is some important information that you should know:

- **Choose a prescription drug plan**— If you decide to enroll in the Medicare prescription drug coverage, you must choose a prescription drug plan that serves your geographic area. Prescription drug plans are like insurance companies and will provide prescription coverage to people with Medicare. If you want your coverage to start on January 1, 2006, you must choose a plan by December 31, 2005. You can compare plans and enroll in a plan at www.medicare.gov beginning November 15, 2005.
- **Your Pharmacy**—If you want to stay with your regular pharmacy, you must choose a prescription drug plan that works with your pharmacy. Your pharmacist can tell you which plans he/she works with.
- **Medicaid**—If you receive health benefits from Medicaid, you will get your prescriptions covered by Medicare instead of Medicaid beginning January 1, 2006. You will not have to pay the premiums and deductibles, but you will have to pay a small co-payment between \$1 and \$5 for each prescription. If you do not choose a prescription drug plan by December 31, 2005, a plan will automatically be chosen for you, so that you won't miss a day of coverage. You can change plans at any time.
- **Medicaid Spend Down**— Under the “spend down” process, you may become eligible for Medicaid even if you have too much income to qualify otherwise. This option allows you to “spend down” to Medicaid eligibility by having medical expenses, such as prescription drug costs, that can be subtracted from your income. Subtracting your medical expenses from your income can reduce your income and help you qualify for your states' Medicaid program. If you are now “spending down” to Medicaid, you may find that Medicare will cover your drug spending and you no longer “spend down” as quickly to become Medicaid-eligible once you start receiving Medicare prescription drug coverage.