

The Medicare Prescription Drug Coverage is a new benefit that will provide both brand name and generic medications to all people with Medicare, including people who live in nursing homes. Here is some important information that you should know as a nursing home resident:

- **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.
- **Long-term care pharmacy**—It is very important to choose a prescription drug plan that works with the long-term care pharmacy that provides medications to the nursing home where you live. The administrator, social worker, or consultant pharmacist at your nursing home can tell you which prescription drug plans the pharmacy 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 pay nothing out of your own pocket for Medicare prescription drug coverage. If you do not choose a prescription drug plan by December 31, 2005, a plan will be automatically chosen for you, so you won't miss a day of coverage. It is recommended that you choose your own plan before December 31, 2006, so that one is not automatically chosen for you. You can choose another plan and switch 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 state Medicaid program. If you are now “spending down” to Medicaid, the Medicare prescription drug coverage will probably not affect your coverage for Medicaid. The reason is that you will continue to have nursing home costs and will therefore have high medical expenses each month, even if Medicare is paying for your prescription drugs.

For more information, click here: www.medicare.gov/Publications/Pubs/pdf/11121.pdf