



Quick Facts about Medicare Prescription Drug Coverage for people with a Medigap (Medicare Supplement Insurance) policy

Medicare offers prescription drug coverage for all people with Medicare. Because of Medicare prescription drug coverage, the rules about prescription drug coverage under Medigap policies have changed. Whether or not your current Medigap policy covers prescription drugs, you should take a look at Medicare prescription drug coverage.

What do I need to know?

- To have Medicare help pay for your prescription drugs, you must enroll in a Medicare Prescription Drug Plan that provides Medicare prescription drug coverage. You can choose a Medicare Prescription Drug Plan that meets your needs.
- In most cases, the next chance you have to enroll is November 15–December 31 of each year for coverage that would start January 1 the following year. You may have to pay a higher premium that includes a penalty. You will have to pay this penalty as long as you have Medicare prescription drug coverage.

What if I already have prescription drug coverage from my Medigap policy?

- That means you pay the entire premium for your Medigap prescription drug coverage. However, if you enroll in a Medicare Prescription Drug Plan, Medicare will pay the Medicare Prescription Drug Plan an average of 75% most of the total premium cost for standard coverage. Most people will generally save money and get better coverage with Medicare prescription drug coverage than with their current Medigap prescription drug coverage. Whether that is true for you depends on the prescription drug coverage offered by your Medigap policy, the coverage offered by the Medicare Prescription Drug Plan you are considering, and the type and amount of drugs you need.



What if I already have prescription drug coverage from my Medigap policy? (continued)

- To get these savings, you may want to think about dropping your Medigap prescription drug coverage and enrolling in a Medicare Prescription Drug Plan. If you have decided Medicare prescription drug coverage is better for you than your Medigap prescription drug policy, you can
 - drop your Medigap prescription drug coverage, and enroll in a Medicare Prescription Drug Plan. You can keep your current Medigap policy with the prescription drug coverage removed and the premium changed. To do this, you must contact your Medigap insurance company if you enroll in a Medicare Prescription Drug Plan. You can choose to keep the same Medigap policy without prescription drug coverage or buy a different Medigap policy without prescription drug coverage [Medigap Plan A, B, C, F, (including the high-deductible Plan F), K, or L] sold by your Medigap insurance company. Your Medigap insurance company can't charge you more if you have a health problem.

OR

- join a Medicare Advantage Plan in your area (such as a Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), or Private Fee-for-Service (PFFS) Plan), that includes Medicare prescription drug coverage. You would get all your health care benefits and prescription drug coverage from the Medicare Advantage Plan. Your Medigap policy doesn't work with a Medicare Advantage Plan. If you drop your Medigap policy to join a Medicare Advantage Plan, you can save the cost of the Medigap premium while gaining prescription drug and other benefits. But you will never have the chance to get your Medigap drug coverage back. As with enrollment in a Medicare drug plan, you should be aware that the times of year when you can join a Medicare Advantage Plan are limited. Also, depending on the circumstances, you may have certain rights to buy a Medigap policy, without prescription drug coverage, if your coverage through a Medicare Advantage Plan ends or you decide to leave the plan during your first year of enrollment.



- If you don't enroll in a Medicare Prescription Drug Plan, you can keep your Medigap policy with no change to your prescription drug coverage. However, you will likely have to pay a higher premium that includes a penalty. If you bought a Medigap policy with prescription drug coverage before 1992, or at any time in the state of Massachusetts, Minnesota, or Wisconsin, you may be able to enroll in a Medicare Prescription Drug Plan later without having to pay a penalty. Even if the prescription drug coverage under your Medigap policy currently meets your needs, you should compare costs and benefits with Medicare Prescription Drug Plans and think about your future needs.

Note: If your Medigap policy covers prescription drugs, you should have received a detailed notice from your Medigap insurance company that described how Medicare prescription drug coverage affects your Medigap policy. The notice tells you how your Medigap policy's prescription drug coverage compares to Medicare prescription drug coverage, and your options. As long as you have Medigap prescription drug coverage, you will get a similar notice from your Medigap insurance company every year by November 15.

Important: Since no new Medigap policies with prescription drug coverage can be sold, this could cause the premium for your Medigap policy to increase faster than it would otherwise if your Medigap policy includes benefits for prescription drugs.

How do I get more information?

You can look at the "Medicare & You" handbook, visit www.medicare.gov on the web, or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can also contact your Medigap insurance company.

For more information on who qualifies for extra help with prescription drug costs and how to apply, call Social Security at 1-800-772-1213, or visit www.socialsecurity.gov on the web. TTY users should call 1-800-325-0778.