



## **IMPORTANT INFORMATION FOR ADVOCATES Medicare & You Handbook 2006 Contains Incorrect Information About Premiums and “Extra Help”**

The Medicare & You Handbook 2006, the only written information about Part D plan options that all Medicare beneficiaries will receive from the Centers for Medicare & Medicaid Services (CMS), contains incorrect information about Part D plan premiums and the low-income subsidy, or “extra help.” The Handbook states in regional-specific charts that the full low-income premium is available for all prescription drug plans (PDPs), when, in fact, only some PDPs qualify for full subsidy payments.

Under Medicare Part D, the low-income subsidy will pay the entire premium amount for people who are eligible for the full subsidy **only if they enroll in a plan with a premium that is at or below the benchmark, or average premium, for the area in which they live.** The benchmark premiums for each of the 34 PDP regions may be found at <http://www.cms.hhs.gov/medicarereform/premiumoptionsregional%20premiumtable.pdf>. The incorrect information is contained in the charts in the regional supplements to the Handbook that list the names, contact information, and some cost information for every prescription drug plan (PDP) that will be available in that part of the country. The comparative charts start on page 97-A. These charts incorrectly state under the column called *If I Qualify for Extra Help, will My Full Premium be Covered?* that the full premium will be covered for every plan. Some of the plans designated as being eligible for the full premium subsidy have premiums that are two or even three times the benchmark amount in some regions.

CMS has stated that it will post corrected versions of the Handbook on [www.medicare.gov](http://www.medicare.gov). The correct information will also be included in the prescription drug plan finder, which will be available on the same web site after October 17, 2005.

CMS further states that people may get premium information by calling 1-800-Medicare. The agency has posted on its website at <http://www.cms.hhs.gov/partnerships/tools/materials/default.asp#my2006> the scripts that will be used by the customer services representatives (CSRs) when a beneficiary asks about the subsidy and a premium. According to the script, a CSR will only give information about the subsidy and premium amount if information is requested about a specific plan. Beneficiaries who want more or comparative information will be referred to the plan finder on [www.medicare.gov](http://www.medicare.gov) or to their local State Health Insurance Program (SHIP). In addition, beneficiaries will be told that they may call individual plans for information. Although the plans must tell people who are eligible for the subsidy whether they will have to pay a portion of the premium, they may also promote their own premium-free plans to people who call.

CMS has not indicated as of this Alert that it will send a written correction to every Medicare beneficiary.