



MONMOUTH COUNTY OFFICE ON AGING

Senior NewsLines

Jointly funded by the Monmouth County Board of Chosen Freeholders and the New Jersey Division of Aging and Community Services, Department of Health & Senior Services

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MEDICARE PART D: AN UPDATE

By Charles Clarkson, Esq.
Coordinator, SMP of New Jersey

Medicare Part D, the new federal drug prescription program that became effective on January 1, 2006 has now celebrated its first anniversary. So how is the program doing and do beneficiaries understand their options?

As of May 15, 2006, the last day of the initial enrollment period, 22.5 million beneficiaries had enrolled in a stand-alone prescription drug plan either voluntarily or through auto enrollment (including most low-income beneficiaries and dual eligibles who are in both Medicare and Medicaid). This number does not include beneficiaries who have drug coverage from sources that are considered creditable, that is equal to or better than Medicare Part D. Overall, many people now have drug coverage that is saving them money and more importantly, have protection in the form of catastrophic coverage in the event of serious illness.

In New Jersey, in 2006, there were 44 stand-alone plans. These are plans that only offered drug coverage. In 2007, 57 stand-alone plans were offered in New Jersey to Medicare recipients. Unfortunately, it is estimated that only 5% of recipients would take advantage of the open enrollment period that permits beneficiaries to switch plans or to enroll in a plan if they failed to do so initially (even though they might have to pay a penalty of 1% a month for every month they failed to join, presuming that had no other creditable coverage that was equal to or better that Part D coverage.) This open enrollment period ran from November 15 to December 31, 2006.

The open enrollment period (presuming no changes to the program) will occur every year during this time frame and it is important that every beneficiary compare plans and choose the best plan for their needs. Beneficiaries should remember that 77% of plans offered nationally increased premiums from 2006 to 2007 and that 28% of these plans raised premiums by at least 25%. It is likely that these trends will continue in future years.

If beneficiaries do not take the time to research the plans every year, they are doing themselves a disservice since there may be a plan that can save them money, provides for more of their drugs and has lower co-pays.

continued

Many beneficiaries have also experienced the dreaded "donut hole" or coverage gap that exists in most plans in 2006. This coverage gap occurred when beneficiaries total drug costs exceeded \$2,250. The next \$2,850 of drug costs would then be the total responsibility of the beneficiary before catastrophic coverage kicked in. While there are a number of plans in New Jersey in 2007 that offer coverage in the "donut hole", most of these plans only offer coverage for generic drugs. So if a beneficiary was, for the most part, on brand named drugs, switching to a drug plan in 2007 with a higher premium that offered coverage in the "donut hole" would probably not be of much help. Unfortunately, many drugs commonly used by older adults do not have generic alternatives, which in most cases are less expensive.

With the new administration controlling Congress, there is already talk of changes to the Part D program, including allowing the government to purchase drugs on behalf of beneficiaries. Such purchasing power would hopefully result in savings to the Part D program and to the beneficiaries through lower drug costs. Currently, the Part D program prohibits such purchases by the government. The Veterans Administration is permitted to purchase drugs for their beneficiaries and many people do not understand why this is not the case for the Part D program. AARP has a new advertising campaign that says, "Medicare has 43 million members. And zero bargaining power when it comes to prescription drug prices."

As with all new programs, Medicare Part D has had its problems, but they have been or are being worked out. However, beneficiaries must be vigilant when obtaining prescriptions through Part D (or through any other source). Beneficiaries should always count the pills in the vial when they get home. Short pilling is of major concern. In addition, beneficiaries should always review their explanation of benefits whenever it is received in the mail from their Part D plan. Double billing for drugs or billing for drugs never received is as much a problem in Part D as in the other parts of Medicare. If a beneficiary becomes aware of such problems, call your pharmacy or Part D plan to correct the problems. Remember, all of us have a vested interest in saving money in the Part D program since this program is supported and paid for by our tax dollars. As always, you can report any suspicions of fraud, waste and abuse to the SMP of New Jersey, a federally sponsored program to educate beneficiaries about fraud, waste and abuse in Medicare and Medicaid. Such complaints can be reported by telephoning 732-777-1940, extension 120.



**SCAN LEARNING CENTER CELEBRATES OLDER AMERICAN'S MONTH
AT 2ND ANNUAL HEALTH & FITNESS FAIR**

On Thursday, May 24, 2007, 10:30am to 3:30pm the SCAN Learning Center will hold its 2nd Annual Health & Fitness Fair in the Rotunda area near the Food Court of Monmouth Mall. More than 25 senior service exhibitors will be showcased. Some highlights include free blood pressure screenings, giveaways and door prizes. The event is free and open to the public.

SCAN Learning Center is located in Monmouth Mall, Routes 35 & 36, Eatontown, NJ. SCAN is a non-profit educational organization for people over the age of 50. For more information about the Health & Fitness Fair, other SCAN events and classes, call (732) 542-1326.

SOCIAL SECURITY WEBSITE NOW EVEN EASIER TO USE

All Information

By Peter Caldone

Social Security Manager in Neptune NJ

Social Security has introduced a new home page design — at www.socialsecurity.gov — ; even easier to use than its highly-acclaimed predecessor.

Because more and more people are doing business on the Internet, Social Security is committed to making it easy for you to conduct your Social Security business online. The redesigned home page will help you find what you are looking for faster and more efficiently.

Some of the more noticeable changes to Social Security's home page include:

- easier access to *Frequently Asked Questions*, one of our most popular features;
- more drop-down menus instead of long lists of links;
- a search box located directly on the home page
- a more visible login button for people who already receive benefits and have a password; and
- a quick reference list of links to our most popular online services.

Our most frequently used online services include applying for benefits online, replacing a lost, stolen or damaged Medicare card, requesting a proof of Social Security income letter, changing your address or phone number, and finding the nearest Social Security office.

Another popular feature is our list of *Frequently Asked Questions*. This service alone gets 27 million visitors each year. The questions and answers are easy to find and can be searched by specific subject matter.

In 2006, more than 50 million people visited the Social Security website — www.socialsecurity.gov. In 2007, we expect that number to grow, and visitors to the site will find it easier to navigate and more responsive to their searches for specific subjects.



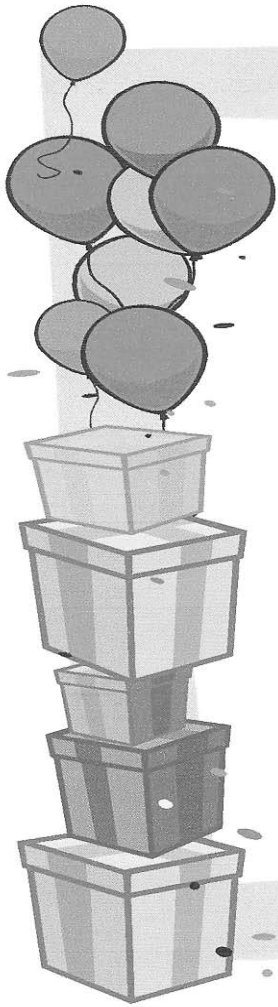
Making **Choices**
for a **Healthier Future**

Older Americans Month

When Older Americans Month was established in 1963, only 17 million living Americans had reached their 65th birthdays. About a third of older Americans lived in poverty and there were few programs to meet their needs. Interest in older Americans and their concerns was growing, however. In April of 1963, President John F. Kennedy's meeting with the National Council of Senior Citizens served as a prelude to designating May as "Senior Citizens Month."

Thanks to President Jimmy Carter's 1980 designation, what was once called Senior Citizens Month, is now called "Older Americans Month," and has become a tradition.

Historically, Older Americans Month has been a time to acknowledge the contributions of past and current older persons to our country, in particular those who defended our country. Every President since JFK has issued a formal proclamation during or before the month of May asking that the entire nation pay tribute in some way to older persons in their communities. Older Americans Month is celebrated across the country through ceremonies, events, fairs and other such activities.



*The Monmouth County Division on Aging,
Disabilities and Veterans' Internment Affairs
and*

*Bayside Manor invite you to attend our
Birthday Party honoring all
Centenarians in Monmouth County.*

*We are honored to celebrate one of the greatest
achievements of the 21st Century
"Longevity"*

Date: May 18, 2007

Time: 1:00pm Centenarian Lunch

2:00pm Party and Cake

Place: Bayside Manor

7 Laurel Avenue

Keansburg, NJ

R.S.V.P. Joanne Cappadona (732) 471-1600

Transportation will be provided if necessary.



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