

State of California-Health and Human Services Agency Department of Health Services



December 12, 2005

TO: ALL GENETICALLY HANDICAPPED PERSONS PROGRAM (GHPP) CLIENTS

Important Notice from Genetically Handicapped Persons Program About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the Genetically Handicapped Persons Program [GHPP] and new prescription drug coverage available January 1, 2006 for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

- 1. Starting January 1, 2006, new Medicare (Part D) prescription drug coverage will be available to everyone with Medicare.
- 2. Genetically Handicapped Persons Program has determined that its prescription drug coverage, on average for all plan participants, is expected to pay out as much as the standard Medicare prescription drug coverage will pay.
- 3. Read this notice carefully it explains the options you have under Medicare prescription drug coverage, and can help you decide whether or not you want to enroll.

You may have heard about Medicare's new prescription drug coverage, and wondered how it would affect you.

GHPP has determined that its prescription drug coverage is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.

Starting January 1, 2006, prescription drug coverage will be available to everyone with Medicare through Medicare (Part D) prescription drug plans. All Medicare prescription

Internet Address: http://www.dhs.ca.gov/pcfh/cms

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drug plans will provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.

Because your existing coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay extra if you later decide to enroll in Medicare coverage.

People with Medicare can enroll in a Medicare prescription drug plan from November 15, 2005 through May 15, 2006. However, because you have existing prescription drug coverage that, on average, is as good as Medicare coverage, you can choose to join a Medicare prescription drug plan later. Each year after that, you will have the opportunity to enroll in a Medicare prescription drug plan between November 15th through December 31st.

You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

If you do decide to enroll in a Medicare prescription drug plan, be aware that this will be your principal source of drug coverage. GHPP will not provide wraparound drug coverage. This means that GHPP will not be supplementing the drug coverage of the Part D drug plan that you chose. However, GHPP will provide coverage for drugs specifically excluded in the Medicare drug plans.

At this time, enrollment into a Medicare drug plan is not required by GHPP. You will retain your current GHPP drug coverage if you choose not to enroll in a Medicare Part D drug plan. However, if you do choose to enroll into a Medicare drug plan, you will lose your GHPP drug coverage except for those drugs that are specifically excluded in the Part D drug plans.

If you currently are designated a Medicare-Medi-Cal (Medi-Medi) recipient, enrollment into a Medicare drug plan is mandatory and you should have already received a notice from Medicare that you have been auto-enrolled into one of the participating prescription drug plans. If you have been auto-enrolled, GHPP will only pay for drugs that are specifically excluded in the Part D drug plans.

Your current GHPP coverage pays for other health expenses, in addition to prescription drugs, and you will still be eligible to receive all of your current other health benefits if you choose to enroll in a Medicare prescription drug plan.

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You should also know that if you drop or lose your coverage with GHPP and do not enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. If after May 15, 2006, you go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage; your monthly premium will go up at least 1 percent per month for every month after May 15, 2006 that you do not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19 percent higher than what most other people pay. You will have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until next November to enroll.

For more information about this notice or your current prescription drug coverage...

Contact the GHPP office in Sacramento at 916-327-0470 for further information. **NOTE:** You may receive this notice at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage changes. You also may request a copy.

For more information about your options under Medicare prescription drug coverage...

More detailed information about Medicare plans that offer prescription drug coverage will be available in the "Medicare & You 2006" handbook. You will get a copy of the handbook in the mail from Medicare. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from these places:

- Visit www.medicare.gov for personalized help.
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for their telephone number).
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this notice. If you enroll in one of the new plans

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approved by Medicare which offer prescription drug coverage after May 15, 2006, you may need to give a copy of this notice when you join to show that you are not required to pay a higher premium amount.

Sincerely,

Original Signed by Marian Dalsey, M.D., M.P.H.

Marian Dalsey, M.D., M.P.H., Acting Chief Children's Medical Services Branch

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