

ASK THE WELFARE FUND
IRWIN SHANES, ADMINISTRATOR

COMMON MEDICARE D QUESTIONS

QUESTION: I am a Department of Education retiree and I'm enrolled in GHI and have the optional benefits rider for the enhanced Medicare D prescription drug program. I have reached the 60% donut hole and it's costing a lot. I'm not quite certain how the new Welfare Fund benefit will help me. Please explain.

ANSWER: The Fund could not reimburse your co-pays any longer because, if it did, you would never reach the \$3,600 plateau at which point GHI's obligation would be reduced from 40% to 15%. Remember, for the first \$2,250 GHI pays 75% and the patient pays 25%. Since the Federal program requires that you incur \$3,600 in True Out-of-Pocket Costs (TROOP), the only relief the Fund can provide you is the cost in excess of \$3,600. The Fund will pick up your 5% (TO A MAXIMUM OF \$5,000) if you reach that level. The Fund will also help pay the cost of your rider by \$40 per month. Your rider cost went from \$180 a month to \$77 a month and now will be further reduced to \$37 a month. In early 2007, the Fund will send you a check totaling \$40 for each month you had the drug rider during 2006.

QUESTION: I am a retiree over 65 and covered by the GHI rider. My wife is also covered by my rider but isn't Medicare eligible. How does this new benefit effect me?

ANSWER: You will receive the \$40 a month stipend and your wife's co-payments will be reimbursed at 80% after a \$100 annual deductible. This is the plan at least for 2006. We will have to see what 2007 has in store for us.

QUESTION: My wife has a drug plan with her employer and I'm covered by that plan. I do not have the GHI rider. How am I affected by this new benefit?

ANSWER: You aren't. We will continue to reimburse your co-pays as we have before in 2005. However, your drug benefit will be subject to its own \$100 deductible and not be included in your Stop-Loss benefit.

QUESTION: My husband and I are not in GHI and our co-payments have been reimbursed to us in the past. Does this change our coverage?

ANSWER: No. We will continue to reimburse your co-payments at least for 2006. However, our drug program will now be a separate program from our Supplemental Medical or Catastrophic Stop-Loss benefit. It will be subject to its own \$100 annual deductible and not included in the Stop-Loss benefit.

QUESTION: My husband is a UFT retiree and I am a CSA retiree. We are both in GHI with Medicare D through the rider. The GHI plan is a family plan in my husband's name. He receives a UFT stipend for our drug rider. Will I get a stipend from CSA?

ANSWER: No. The rider is not in your name so no \$40 a month from CSA. We will pick up your and your husband's 5% co-payments should either of you exceed the \$3,600 plateau. If you had individual contracts, your husband would get a stipend from UFT and you would get one from CSA.

QUESTION: I am retired and Medicare eligible. My spouse is still employed and covered by the UFT drug plan. We have individual health plans. I do not have the drug rider, since I am covered by my spouse's UFT drug plan. How does the new benefit program affect me?

ANSWER: Nothing changes for you. You will not receive reimbursement for the rider, since you did not purchase it. The Fund will continue to reimburse your co-pays, and your spouse's, after the \$100 deductible. Since you have individual health plans, you will have your Medicare Part B premium reimbursed by the City.