

**ASK THE WELFARE FUND**  
**BY: IRWIN SHANES, ADMINISTRATOR**

**QUESTION:** I am a Medicare eligible retiree. I am also a veteran. I use the VA drug program as well as my GHI Express Scripts drug plan. Now that Medicare D has become effective, can I still use both drug programs? I was told that you can't be in more than one drug plan.

**ANSWER:** The Medicare D prescription program is very confusing. The law says you can't be enrolled in more than one drug plan but does allow certain exceptions. The VA drug program is considered creditable coverage because it is as good as or better than Medicare D. Therefore, if a person is enrolled in the VA health care system drug plan, they need not enroll in a Medicare D plan and they will not be subject to any penalty should they decide to enroll in a Medicare D plan at a future date. However, if a person wishes to maintain their VA coverage and join a Medicare D plan, they are permitted to do so. This is one of the exceptions. You can be in both plans. It is also important to note, however, that if a person

drops their VA coverage, they may not be able to re-enroll at a later date. Confusing, isn't it?

**QUESTION:** I want to thank you for all you and the Trustees have done to provide us with such comprehensive coverage. As a Medicare eligible member in the GHI/Express Scripts enhanced Medicare D program, I'm concerned because I will no longer be able to get the Welfare Fund reimbursement for my co-pays for 2006. Since I unfortunately use a lot of drugs and some are quite expensive, there is little doubt that I will more than exceed the \$3,600 out of pocket drug cost plateau and even at 5% I will be paying a lot more money. Are there any plans to provide an alternate benefit to help us with these costs which will not violate either the Medicare law or the GHI contract with the City?

**ANSWER:** Of course there is. We have been working very hard to find alternative ways of helping our members with these additional costs. How much and what else we can do occupies my mind continuously. Our Trustees are meeting again in June and I'm sure that we will be

able to provide them with options acceptable to our actuaries that could be implemented. Since we wouldn't be reimbursing 2006 drug costs until 2007, we have time to work something out. I remind you that we start out with a \$1,200 savings because of a reduction in premium from \$181 a month to \$77 a month. For members with out of pocket costs less than \$1,200, it will be a savings. I'm most concerned about members such as you who have costs in excess of \$3,600. I'm confident we can contain your costs at that level.

**QUESTION:** I am a retired Assistant Principal and just turned 65 years of age. I enrolled in Medicare A & B and sent a copy of my Medicare card to 40 Rector Street so that I will be able to receive a refund of my Medicare premium each year and also to let the City know that my GHI/Blue Cross coverage should now be supplemental to Medicare. I also enrolled in Prescription Drug Coverage Saver Plan for \$19.02 per month from Pacific Care. Did I do everything right?

**ANSWER:**

You did not. Up until you enrolled in the Pacific Care you earned a grade of A+. Then you flunked out. You can't have two drug plans. If Pacific Care notifies Medicare of your enrollment, Medicare will mostly likely drop you from GHI coverage. When Pacific Care is a stand alone drug program, you can drop your GHI rider for drugs. If Pacific Care is also a Medicare A & B supplement plan, you will have problems with Blue Cross as well. I would strongly advise you to clear this up with Pacific Care before May 15, 2006.