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Menopause, Andropause And Other Hormone Imbalances
Impair Healthy Healing In People Over The Age Of 30!

Prescription Drug Coverage

By Mike Bell

Prescription drug coverage is an important aspect of overall health care coverage. This article will

briefly discuss the types of coverage that are available, as well as some things you should be aware of when choosing a plan.

Most people obtain their prescription drug coverage as a part of their overall medical insurance plan. Most medical plans include some form of prescription drug coverage, and some states actually require employers to include this coverage in the medical plans that they offer to employees. Whether purchased independently or in combination with other coverage, the available types of coverage are similar.

Traditional, or fee-for-service coverage is the most common form of prescription drug coverage. This type usually has an annual deductible amount in addition to the amount of the premiums. In general, the lower the premiums, the higher this deductible amount will be. This type of policy pays a percentage of your overall drug bill once the deductible has been met. This percentage is usually around 80%. This type of coverage usually requires you to pay for your prescriptions up front, and you are reimbursed by filing claims. Another aspect of this type of coverage is that you can choose whatever pharmacy you want to fill your prescriptions.

Another type of coverage that is available is provided by an HMO (or Health Maintenance Organization). This is a fairly tight-knit group of health care providers that furnish health care on a prepaid basis. The primary difference with this type of coverage is that you usually pay some form of co-pay amount for your prescriptions. You are not required to pay the full amount as with traditional coverage, only the co-pay. Your out-of-pocket expense may well be the same as with traditional coverage, but you do not have to pay the entire amount up-front and file for reimbursement. Another difference with this type of coverage is that you will be limited to pharmacies that participate in the HMO.

PPOs (or Preferred Provider Organizations) are similar to HMOs, but much more loosely associated. Prescription drug coverage with a PPO will be very similar to that of an HMO – you will likely pay some co-pay amount for each prescription that you receive. However, you will have a wider range of

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pharmacies to choose from with this type of coverage.

Another type of service that you may see advertised as prescription drug coverage is not actually an insurance plan. These are discount programs that, usually for a small monthly fee, issue a prescription drug card that qualifies you for discounts on your prescription purchases. This type of service does not usually cover all of your prescriptions. Depending on who issues the card, this discount may be limited to certain drug manufacturers, pharmacies or to certain types of drugs. While these programs can help if you are without prescription drug coverage, they should not be considered as a replacement for insurance coverage.

There are a wide number of choices available to you when choosing prescription drug coverage. This is true whether you are purchasing coverage independently or as part of a more comprehensive medical plan. You can use some of the other resources available at this site to help you in choosing the prescription coverage that is right for you.

Mike Bell is the webmaster of the Health Insurance

<http://www.InsuranceOptionsGuide.com>

Options

Guide, a resource for life and health insurance answers.

The Hidden Costs of Medicare in 2006 – An Analysis

By FixMyHealthcare.com

The Hidden Costs of Medicare in 2006 – An Analysis by FixMyHealthcare.com

Nearly one year after congress passed the Medicare and prescription drug plan, both sides are still debating its supposed benefits, or detriments. Unfortunately, many of the people who will be affected by the Medicare changes still don't know where to turn.

What follows is an initial analysis of what will happen January 1, 2006.

Our conclusion:

Regardless of whatever else you're hearing, the Medicare Part "D" prescription drug plan has many loopholes that are harmful to seniors with low to moderate incomes.

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The Analysis:

First, you will pay a monthly insurance premium of \$35 per month, or \$420 for the year.

Secondly, the first \$225 you spend will make up your deductible - no help from Medicare

Thirdly, the next \$2,000 in costs (\$226 to \$2,225) is 25% your cost, 75% Medicare.

Fourthly, and this is referred to as the donut hole, you have to pay 100% again for all dollars spent between \$2,225 and \$5,100 - no Medicare help.

Lastly, any dollars spent for prescriptions above \$5,100 in one year will be 5% yours, 95% from Medicare - this is called Catastrophic Coverage.

Your 2006 Medicare Coverage Costs:

Your Prescription Costs/What It'll Cost You/You Pay/You Save

\$225	\$645	100%	\$0
\$1,000	\$839	84%	\$161
\$1,500	\$964	64%	\$536
\$2,000	\$1,089	55%	\$911
\$3,000	\$1,920	64%	\$1,080
\$4,000	\$2,920	73%	\$1,080
\$5,000	\$3,920	78%	\$1,080

Final Thought:

Beginning January 1, 2006 your Medicare costs, as detailed in the new plan passed by congress and the current administration, may increase significantly.

We believe congress should have done better than this for our seniors.

Remember, it's only after you spend \$5,100 in Medicare—cover healthcare costs that the catastrophic support starts. Even then, you'd still be responsible for 5% of your costs.

As it stands, it will take about \$800 of prescriptions in a year just to break even! Then, your out-of-pocket expenses go down. However they come right back up once you hit the donut hole, where you pay 100% again.

FixMyHealthcare.com is a website devoted to helping seniors decipher the recent changes in Medicare. Visit www.fixmyhealthcare for a discussion of senior health issues.



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