



Medicare Prescription Drug Plans (PDPs) in 2007 WHAT'S NEW?

UPDATED
November 14, 2006

⇒ The Open-Enrollment Period

Medicare Prescription Drug Plans are changing on January 1, 2007. The opportunity to enroll in a new plan for 2007 (or to switch plans) is during the open-enrollment period (November 15, 2006-December 31, 2006).

If enrolling for the first time or switching plans, it is best to do so by December 8, 2006, to ensure that the new plan is in place by January 1.

In 2007, 55 Stand-Alone Medicare Prescription Drug Plans (PDPs) are offered in California. It is possible now to view and compare plans using the updated Medicare Prescription Drug Plan Finder at www.medicare.gov.

⇒ California Benchmark Plans for Low-Income Individuals

In California there will be nine Benchmark plans in 2007. These basic plans charge premiums at or below the Benchmark level, and charge no premium for Duals and other enrollees with a Full Low-Income Subsidy (LIS). Individuals who are auto-enrolled during 2007 will be randomly assigned to one of the 2007 Benchmark plans.

The Benchmark premium in 2007 is \$21.03. California Benchmark Plans for 2007 are:

Plan Sponsor	Plan Name	Premium
Wellpoint, Inc.	Blue Cross MedicareRx Value S5596-033	\$19.00
CIGNA HealthCare	CIGNATURE Rx Value Plan S5617-158	\$20.10
Health Net, Inc.	Health Net Orange Option 1 (002) S5678-002	\$19.90
Humana, Inc.	Humana PDP Standard S5884-090	\$15.70
Longs Drugs, Inc.	Advantage Star Plan by RxAmerica S5644-084	\$18.50
Wellpoint, Inc.	Medicare Rx Rewards Value S5960-032	\$17.70
UnitedHealthcare	AARP Medicare Rx Plan Saver S5921-001	\$9.80
WellCare, Inc.	WellCare Classic S5967-169	\$9.70
WellCare, Inc.	WellCare Signature S5967-066	\$18.20

⇒ How Will Plan Changes Effect Low-Income Patients?

How patients are effected by plan changes in 2007 depends on their level of subsidy, whether they were auto-enrolled or self-enrolled in their current plan, and any changes in the plan's status in 2007 (whether it is continuing and whether it is still a Benchmark plan). Where necessary and available, plan reassignments are made to a designated Benchmark plan offered by the same company as the beneficiary's 2006 plan.

Changes to five Benchmark Plans offered in 2006 will result in the following plan reassignments effective January 1, 2007:

1. PacifiCare Saver
 - All LIS members will be reassigned to AARP Medicare Rx Plan-Saver. They also have the right to choose their own plan.
2. United Health Rx
 - All LIS members will be reassigned to AARP Medicare Rx Plan-Saver. They also have the right to choose their own plan.
3. AARP Medicare Rx
 - All LIS members will be reassigned to AARP Medicare Rx Plan-Saver. They also have the right to choose their own plan
4. Health Net Orange Option 2 (008)
 - Only LIS members who were originally **auto-enrolled** in this plan will be reassigned to Health Net Orange Option 1 (002).
 - LIS members who **self-enrolled** in this plan will not be reassigned. If they stay in this plan they will be responsible for a \$5.97 premium (the difference between the 2007 premium and the 2007 Benchmark). They can, however, switch to a different plan.
 - Partial LIS members who self-enrolled in this plan will be charged their usual portion of the premium (25%, 50%, or 75%) in addition to the \$5.97.
5. Sierra Rx
 - This plan is treated differently because its premium is less than \$2 above the 2007 Benchmark.
 - All LIS members (full or partial LIS) may remain in this plan in 2007 without paying a premium, whether they were auto-enrolled or self enrolled.
 - Partial LIS members will be responsible for their usual portion of the premium (25%, 50%, or 75%) plus \$1.37 (the difference between the 2007 plan premium and the 2007 Benchmark).
 - No new LIS recipients will be assigned to this plan in 2007.

To confirm which plan a patient has been reassigned to for 2007, call the 2006 plan or 1-800-MEDICARE. The web-based Plan Finder at www.medicare.gov is not currently a reliable source of information about plan reassignment for patients with Low-Income-Subsidy.

Five 2006 Benchmark plans will continue as Benchmark plans in 2007:

1. Blue Cross Medicare Rx Value
2. Health Net Orange #1 (002)
3. Humana PDP Standard
4. Medicare Rx Rewards
5. Wellcare Signature
 - Members can stay in these plans and will not be reassigned. They have the option of switching plans if they are not satisfied with their current plan.
 - Full LIS members will continue to pay no premium in 2007
 - New LIS recipients in 2007 will be auto-assigned to these and the other 4 Benchmark plans in the chart above.