

## Social Security Benefits Increase by Just 1.6% in 2020

Just as we forecast, the Social Security Cost-of-Living Adjustment (COLA) for 2020 will be considerably lower than the 2.8 percent COLA received this year. The Social Security Administration recently announced that the 2020 COLA will be 1.6%. That would raise an average retiree benefit of \$1,460 by about \$23.40 per month—far less than \$40.90 received in 2019.

The 1.6% COLA is the lowest since 2017, when the annual boost was just 0.3% and in 2016 there was no COLA at all. Over the past decade, consumer price inflation has been at unprecedented lows. COLAs averaged just 1.4%, less than half the 3% they averaged during the previous decade from 2000 to 2009.

This is having a major impact on the lifetime Social Security income and standard of living of retirees, particularly those who retired prior to 2010. Social Security benefits are about 17.5% lower today than they would have been if inflation had averaged the more typical 3% over the same period. Over ten years that's about \$17,299 less in retirement income for someone with average benefits. "That's like losing an entire year's worth of Social

*continued on page 7*

## Medicare Part B Premiums to Rise More than 4 Times Faster than Your COLA

While retirees won't be getting as much of an increase in their Social Security checks in 2020, the Part B premium, is expected to go up considerably more than it did this year. In 2019, most beneficiaries paid \$1.50 per month more than in 2018. In 2020, however, the Medicare Trustees have forecast that Part B premiums will increase from \$135.50 to

*continued on page 7*

### IN THIS ISSUE:

Social Security Legislation Would Provide 75 Years of Solvency for Social Security; p.2

Drug Legislation Running Out of Time as Part D Costs Set to Soar; p.3

Two Bills that Would Bring Down High Prescription Drug Costs; p.4

Shopping for a Better Drug Plan NOW Can Put More Money in Your 2020 Budget; p.5

How Would "Capping" Medicaid Payments Affect Seniors? p.6

What to Do When Your Doctor Prescribes an Expensive Medication that Your Insurance Doesn't Cover; p.9

## Did Inflation Really Drop?

*By Mary Johnson, editor*

Inflation as measured by the U.S. Bureau of Labor Statistics' consumer price index has taken a deep tumble over the past year, meaning older Americans will have to settle for a Cost-of-Living Adjustment (COLA) of 1.6% in 2020 after getting a 2.8% increase this year.

While economists are still sorting out the reason for the fall in inflation, I recently asked what you have observed in the way of prices. Are the goods and services on which you typically spend most of your budget really falling—or are those prices actually going up?

I had the opportunity to interview Florida retiree Joe S., who told me how he is impacted, living in one of the most hurricane prone areas in the U.S.—Brevard County, Florida. In September, after hanging 20 hurricane shutters on his home, Joe and his wife evacuated for three days and rode out hurricane Dorian 110 miles inland. Gas, hotel, food costs totaled \$600.00. Unexpected expenses like these are hard to plan for.

Natural disasters can affect the consumer price index by showing up as higher costs, particularly when gasoline supplies are disrupted, and large

*continued on page 8*

# Social Security Legislation Would Provide 75 Years of Solvency for Social Security



*Rick Delaney,  
Chairman of the Board, TSCL*

If lawmakers wait too long, solutions for fixing Social Security's financing could involve deep cuts and large abrupt tax increases. But Members of the House Ways and Means Committee are discussing an alternate path to solvency for the program that would boost benefits across the board for all retirees while closing the program's long-term funding gap.

The bill will provide 75 years of "sustainable solvency" according to Stephen Goss, the Chief Actuary of the Social Security Administration. With enough support, we believe the measure could pass in the House. The bill, as you might correctly suspect, is stirring controversy, particularly among the nation's most highly paid wage earners.

The Social Security 2100 Act (H.R. 860) introduced by Representative John Larson (CT-1) would:

- Provide a modest boost in benefits for all retirees by recomputing the initial benefit amount using a slightly more generous benefit formula. This would particularly help low earners and women who may have taken time out of the work force to raise a family or care for older family members.
- Provide more generous COLAs by basing the annual computation on the Consumer Price Index for the Elderly

(CPI-E). *Advisor* editor Mary Johnson estimates that boosting the COLAs alone would gradually increase an average benefit of \$1,460 by an extra \$38 per month after the first ten years, and by an extra \$95 per month after 20 years of retirement.

- Lower taxes for millions of older taxpayers, by increasing the income thresholds that subject Social Security to taxation from \$25,000 to \$50,000 for single filers and from \$32,000 to \$100,000 for joint returns.

The most controversial aspect of the bill is an increase in payroll tax revenues. The bill would begin imposing Social Security payroll taxes on wages above \$400,000 and very gradually raise the payroll tax rate. Under current law workers earning more than \$132,900 pay nothing on wages over that amount, no matter whether they earn \$133,000 or, as in the case of Apple CEO Tim Cook, more than \$12 million. The legislation would fix the \$400,000 level, and the current taxable maximum of \$132,900 would continue to adjust upward annually. Eventually the two levels would meet in about 28 years. At that point, all wages would be subject to Social Security taxes.

The bill would also increase the overall payroll tax rate by 2.4% from 12.4% to 14.8% by 2043. Currently employees pay 6.2%,

and the employer matches the other 6.2%. The bill would start increasing the payroll tax by 0.1 percentage point each year starting in 2020 through 2043. TSCL's Senior Survey found that 74% of survey participants support lifting the amount of wages subject to payroll taxes to apply to all earnings. In addition, 60% of survey participants support increasing the payroll tax rate by 1%.

The legislation is moving in the House, and already has 210 cosponsors putting it close to a majority. You can help move this legislation along by contacting your Members of Congress and getting the word out to others. Contact info can be found at [www.SeniorsLeague.org](http://www.SeniorsLeague.org). ■

# Drug Legislation Running Out of Time as Part D Costs Set to Soar

By Shannon Benton, Executive Director



Shannon Benton,  
Executive Director

Medicare Part D's True Out-of-Pocket Cost (TrOOP) spending requirements which are unusually high as it is, are poised to make a stunning and unprecedented jump in 2020. Unless Congress takes action, the Part D doughnut hole coverage gap will swell by 25% next year, from \$5,100 in 2019, to \$6,350 in 2020 (\$1,250 increase) before the catastrophic phase of coverage kicks in. This would be the largest increase in Part D's required out-of-pocket spending ever, since the start of the program in 2006.

In counting out-of-pocket spending, Medicare does not include the cost of monthly Part D premiums or the cost of any drugs that aren't listed on your drug plan's formulary. And, even after hitting \$6,350, out-of-pocket spending would not end there, because Part D has no annual out-of-pocket maximum. The TrOOP cost is the amount you must spend before you qualify for the catastrophic stage of Part D coverage, when Medicare steps in and co-insurance goes down. But you still are required to pay a minimum of \$3.60 for generic drugs or a 5% coinsurance for brand drugs.

Now, as we draw close to the end of the year, the window for

Congress to take major action to lower prescription drug prices is beginning to close. Concern is growing that the prospects of a substantial drug price reduction bill may get lost in the politics surrounding the 2020 election. Legislation that would allow Medicare to negotiate the cost of prescription drugs is in the House, and a bipartisan bill that would cap out-of-pocket Part D costs at \$3,100 a year is stalled in the Senate. The whole effort is fiercely being fought by the pharmaceutical industry, and the outcome remains unclear.

Nearly 20% of participants in TSCL's Senior Survey say they spent \$3,100 or more out of pocket on prescription drugs in 2018. And, as we age, all of us face the grim potential that a new health problem could increase our spending on prescription drugs to this level. Doing nothing to lower drug prices for Medicare beneficiaries is not a good option.

President Trump has said that he wants to deliver on his promise to lower drug costs, but bipartisan legislation is required to cap costs and provide real cost savings for older Americans. If Congress fails to take action, older Americans will bear the increasing burden of

higher drug spending through depleted savings, higher taxes, and a lower standard of living.

Your contact with Members of Congress is important now and could help clear the legislative path for this important legislation. Call your Member of Congress now toll free at 1-844-455-0045. Calls to your elected lawmakers made on this number will be paid for by The Senior Citizens League. ■

Sources: "What's the Latest on Medicare Drug Price Negotiations?" Kaiser Family Foundation, July 2019.

**The Social Security & Medicare Advisor** ©2019 is published by The Senior Citizens League (TSCL). TSCL is an organization of active seniors concerned about the protection of their earned Social Security, Medicare, military, and other retirement benefits. TSCL's supporters participate in a number of grassroots lobbying and public education campaigns to help ensure governmental bodies live up to their commitments. Current active contributors to The Senior Citizens League are entitled to receive *The Social Security & Medicare Advisor* for no additional charge. Readers wishing to contact TSCL should address correspondence to The Senior Citizens League, 1800 Diagonal Road, Suite 600, Alexandria, VA 22314. TSCL website: [www.SeniorsLeague.org](http://www.SeniorsLeague.org). Editor: Mary Johnson.

## CONGRESSIONAL CORNER

# Two Bills that Would Bring Down High Prescription Drug Costs

By Representative Elijah E. Cummings, (MD-7)

The rise of prescription drug prices is a serious concern that warrants immediate attention. Drug companies have long charged record prices that deny millions of Americans affordable access to lifesaving medications. Individuals across Maryland—and the country—have shared their stories with me regarding the high cost of drugs for themselves or their family, and the strain it places on their finances and health.

Within Medicare, so many of our seniors are facing rising costs and tough choices.

According to AARP, about 94% of widely-used brand-name drugs that were on the market between 2005 and 2017 nearly doubled in price. And in 2017, the average annual cost of specialty drugs—which treat complex conditions like cancer—was about \$78,800. In contrast, the average Social Security benefit in 2017 was just \$16,800.

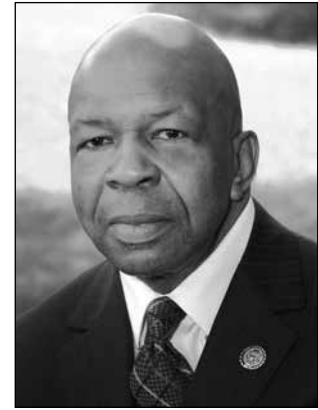
For seniors—many of whom are on fixed incomes—these skyrocketing prices are unsustainable. Astronomical drug prices are forcing seniors to make daily choices between the medication they need to stay healthy and other necessities such as food, transportation, and housing costs. This is unacceptable.

In response to concerns over high prescription drug prices, I have introduced two bills in this Congress to lower the cost of prescription drugs. H.R. 448, the *Medicare Drug Price Negotiation Act*, would authorize the Secretary

of Health and Human Services to negotiate for lower drug prices on behalf of Medicare Part D beneficiaries. H.R. 447, the *Affordable and Safe Prescription Drug Importation Act*, would allow qualifying prescription drugs manufactured at FDA-inspected facilities of licensed Canadian sellers to be imported into the United States. These solutions, along with other bills introduced by my colleagues in the House and Senate, will help to fundamentally change the playing field, helping to lower prices for patients while reining in excessive drug company profits.

Addressing prescription drug prices is also one of my top priorities as Chairman of the House Committee on Oversight and Reform. The Committee launched a comprehensive investigation of the prescription drug industry's pricing practices in January of this year, focusing on the drugs that are the costliest to Medicare. In January I convened the Committee's first hearing of the 116th Congress on this topic, inviting AARP's National Volunteer President to testify about the challenges seniors face in affording their drugs.

The Committee has held two additional hearings on prescription drug prices. In July, the Committee heard directly from patients who are unable to afford their prescription drugs. Two of the witnesses at that hearing were Medicare beneficiaries who were prescribed a cancer drug priced at more than \$10,000 per month.



Representative Elijah E. Cummings, (MD-7)

I remain committed to determining the causes of rising drug prices and identifying potential solutions to reduce costs for American families. Everyone deserves access to health care that will improve their lives. Health care is a right, not a privilege, and I pledge to do all I can to protect this right. ■

*Editor's note: We regret the passing of Representative Elijah E. Cummings, who died October 17, 2019 prior to the release of this newsletter. He will be remembered for many things, including his stand on cutting high healthcare costs on behalf of older Americans.*

*The opinions expressed in "Congressional Corner" reflect the views of the writer and are not necessarily those of TSC.*

## BEST WAYS TO SAVE

# Shopping for a Better Drug Plan NOW Can Put More Money in Your 2020 Budget

By Mary Johnson, editor

One out of five people who participated in TSCL Senior Survey spend more than \$250.00 per month out-of-pocket on prescription drugs. That's an enormous amount, considering the average Social Security benefit is just \$1,460.00 per month. But even if you only take generics, or your Medicare drug or health plan premium goes down, this does not mean that your 2020 Medicare plan's drug coverage costs will also decrease. Your Medicare drug plan's prescription coverage—including which drugs are covered by your plan, and the cost, usually changes every year.

Medicare's Fall Open Enrollment Period started on October 15<sup>th</sup> and will run through December 7<sup>th</sup>. For the past 14 years, I have volunteered to help neighbors and friends learn about changes in their current Part D prescription drug or Medicare Advantage coverage during this period. We compare options, track down the lowest costing plans and pharmacies, and often switch to a lower-costing plan when there's a better deal.

Doing this can be worth hundreds, if not thousands, of dollars in savings in a single year, and it's surprisingly simple. Free one-on-one counseling is available from local Medicare benefits counselors like me in every area of the country, through State Health Insurance Programs (SHIP). Many of these programs operate through local area agencies on aging, senior centers, and community health centers.

Here are a few secrets about Part D coverage that keep you

stuck in your plan and overpaying for prescriptions:

**1. Most people don't know where to begin, and the process is designed to overwhelm you before you start.** You, however, do not have to be one of these people. All you need to do is to call and set up a free counseling session with a local Medicare benefits counselor. Do this NOW. Locate the program in your area on the State Health Insurance Program website—<https://www.shiptacenter.org>.

**2. Because Medicare doesn't negotiate drug prices, there are huge variations in cost for the same drug between drug plans, and even between pharmacies in the same plan.** The difference in drug prices between the lowest and highest costing plans and pharmacies can be in the hundreds, or even thousands, of dollars. The high cost of drugs are the single biggest reason that people don't fill a prescription! But the most frequent reason that a drug costs so much more in the highest costing plan is *lack of coverage* by the drug plan—the drug is not listed on the plan's formulary. Sometimes, the pharmacy is not in the plan's preferred “network”, and even preferred pharmacies can have significantly higher costs. For example, the lowest cost plan for Sovaldi, a drug used to treat Hepatitis C, charges \$5,600 in co-insurance (for a one-year treatment). The highest cost drug plan charges \$100,800, the full cost

of the drug, because Sovaldi is not on the plan formulary. The lowest cost plan for Advair Diskus, which is used to control and prevent symptoms of pulmonary disease, charges a co-pay of \$38.33 per month from a mail order pharmacy, or the highest cost plan charges \$626.62 per month because the drug is not on the plan's formulary.

**3. High drug or health plan premiums don't necessarily purchase better coverage.**

For example, the generic blood pressure medication Lisinopril is one of the most commonly used prescriptions by Medicare beneficiaries. The least expensive Part D plan in my area charges \$0 copay for Tier 1 generics, and the monthly premium is just \$14.50 in the zip code used in this search. The most expensive plan charges a co-pay of \$9.19, and the plan has a monthly premium of \$93.30—a difference of \$1,055.88 for the entire year counting premiums!

**4. Surprise! A new Part D plan drug pricing program may lower costs for those who seek out the savings.** Recent Congressional scrutiny on drug pricing may be spurring some drug plans to drop prices on certain drugs. A new drug plan pricing program offered by Cigna, for example, lowers the cost of insulin. In 2018, the lowest cost Part D plan charged an \$80 copay for a 100/ml of Lantus Solostar. In 2019, the lowest cost plan in my area charges copays as low as \$6.00—\$11.00 for Lantus Solostar in the

*continued on page 8*

## ASK THE ADVISOR

# How Would “Capping” Medicaid Payments Affect Seniors?

**Q:** At a recent townhall I heard my Senator say that he supported reforming Medicaid’s payment structure to provide a capped amount per person enrolled. Can you tell me how this would work?

**A:** In addition to Medicare, state Medicaid programs are a major source of medical insurance for 15% of adults age 65 and up—more than 7.2 million low-income seniors. Because the federal government matches a portion of state Medicaid spending, some proposals have been debated in recent years that would fundamentally change the structure and financing of Medicaid in order to cut federal spending. The proposal would cap payments, or provide a fixed amount of money to spend on Medicaid beneficiaries.

Most low-income people who receive Medicaid have incomes lower than the federal poverty rate, which is \$12,490 for individuals and \$16,910 for a 2-person household in 2019. State Medicaid programs help older Americans afford Medicare by paying the monthly Part B premium, co-pays, and most out-of-pocket drug costs for those with very low incomes. This is a substantial benefit. The Part B premium in 2019 is \$135.50 per month. This expense alone (not counting co-pays or drug costs) represents 13% of the household budget of the low-income retirees who qualify for Medicare Savings Programs benefits which are paid by Medicaid.

In addition, Medicaid’s biggest expenditures on older Americans include long term care—benefits that are not covered by Medicare. Given that the average cost of assisted living or nursing home care can range from \$48,000 to more than \$100,000 per year, even middle-income families find they must spend down most if not all of their remaining retirement savings on long term care. Medicaid programs step in to provide nursing home and other types of long-term care that would otherwise be unaffordable.

According to the non-partisan Kaiser Family Foundation, in 2017, the federal government paid more than 60% of total Medicaid costs, with states paying about 40%. The proposal to reform Medicaid would shift federal financing for the program from one that pays a percentage of funding for those whose income is low enough to qualify, to one that pays a fixed amount per person, or a block grant that would give a fixed amount of money to states.

Under this system of funding, Medicaid spending would rise at a rate specified by the legislation, irrespective of the actual rise in medical costs or increase in the number of people needing assistance. Limits on federal spending are expected to put pressure on the states to limit enrollment, particularly if Medicaid spending increases faster than the growth in federal portion of funding. States with costs that exceed the cap would need to find other revenues to maintain coverage, or to reduce

other costs in other ways—such as states opting to cover fewer seniors requiring long term care.

Medicaid rolls are expected to grow as more people over the age of 65 have difficulties affording their healthcare costs, and retire without adequate savings to last a retirement that can extend 25 to 30 years. For a capitated system to work for older Americans, Medicaid payments would need to keep up with rising medical costs, as well as the rising need as people age and require more care. Inadequate per capita payments could create great challenges for states in meeting the need for care, bigger burdens for working families, and leave low income seniors at risk of going without basic living essentials.

To stay informed about proposals to reform Medicaid and Medicare, sign up for alerts at [www.SeniorsLeague.org](http://www.SeniorsLeague.org). ■

*Sources: “What Could A Medicaid Per Capita Cap Mean for Low Income People on Medicare?” Kaiser Family Foundation, March 2017.*

*Social Security Benefits Increase by 1.6% in 2020; continued from page 1*

Security income,” notes TSCL’s Executive Director, Shannon Benton.

Even more troubling, because low COLAs compound over time, this loss of income due to low COLAs grows deeper as beneficiaries age. This has not gone unnoticed by those who depend on these annual adjustments. Many Social Security recipients tell TSCL that their standard of living has declined.

When actual costs climb faster than Social Security benefits the purchasing power of benefits doesn’t go as far. A study authored by *Advisor* editor Mary Johnson has found that Social Security benefits have lost a stunning one

third, (33 percent) of buying power since 2000.

In 2000 the average monthly Social Security benefit was \$816. That benefit grew to \$1,226.60 by 2019 due to COLA increases. But because retiree costs are rising so much more quickly, the study found that this amount of benefits would need to have increased by \$407.90 more, to \$1,634.50 just to maintain the same level of buying power as in 2000.

To protect the buying power of Social Security benefits, The Senior Citizens League supports three approaches to strengthen benefits:

- Calculate COLAs based on the consumer price index that better reflects the spending patterns of retirees by tying the calculation

to the Consumer Price Index for the Elderly (CPI-E).

- Provide a modest boost in monthly benefits to retirees to make up for years when no COLA or only a negligible COLA was payable.
- Guarantee a minimum COLA of no less than 3 percent.

To learn more and to send us your comments, visit [www.SeniorsLeague.org](http://www.SeniorsLeague.org). ■

---

*Medicare Part B Premiums to Rise More than 4 Times Faster than Your COLA; continued from page 1*

\$144.30 per month—\$8.80 per month more—an increase of 6.5%. That’s four times faster than the COLA.

Consequently, Social Security recipients with the lowest benefits may not see much of an increase at all after Medicare Part B premiums are deducted. Those with benefits of about \$550 or less are at risk of seeing the Part B premiums consume their entire COLA, leaving nothing extra left over to deal with other rising costs.

But this doesn’t necessarily mean that the rising Part B premium would reduce an individual’s net Social Security benefits next year. Due to a special

provision of law known as the Social Security “hold harmless” provision, the Medicare Part B premium is adjusted to prevent an overall reduction in Social Security benefits from December of the previous year. The provision only applies to about 70% of all Medicare beneficiaries, however, and does not protect people whose overall income is so low that their Medicare Part B premium is paid by state Medicaid programs, and individuals with incomes above \$85,000 or married couples with incomes above \$175,000.

In addition, the hold harmless provision does not apply to the premiums of Medigap supplements, Medicare Advantage, or Part D plans. Any increase in those premiums would

lower the amount of Social Security benefits left to deal with other rising costs.

Do you have a low benefit and think you may be affected by hold harmless? TSCL would like to hear from you! Contact us at [www.SeniorsLeague.org](http://www.SeniorsLeague.org). ■

*Did Inflation Really Drop? continued from page 1*

numbers of people are forced to evacuate needing shelter and food away from home. But Joe (like virtually all of you who sent in an email) thinks that our government economists may be cooking the books in their methods of measuring price increases.

Homeowner's, auto, and flood insurance are three of Joe's fastest rising costs, since he lives on the eastern coast of the Florida. The insurance industry says that homeowners and auto insurance costs are impacted by both the number and intensity of severe storms in recent years.

In fact, according to research by The Senior Citizens League, homeowner's insurance has grown 199 percent since 2000, making it one of the fastest growing costs that retirees face, second only to prescription drug costs. Joe reports that his homeowners and car insurance

have increased every renewal period over the past two years. His homeowner's premiums rose from \$1,284 a year to \$1,566, an increase of 22 percent. Joe's auto insurance premiums increased \$200 over the last four renewal periods, which are every six months, despite no tickets or accidents. Government subsidized FEMA flood insurance this year increased 7.4%.

"Many food companies decrease the size of their containers, while keeping the same price," Joe said in his comments about price increases that he's observed. "Cost increases get masked when container sizes shrink." For example, after last year's hurricanes, a major orange shortage nationwide led to shrinking orange juice bottles. "Brands that originally sold in 64 oz containers, downsized to 59 oz and then to 52 oz—a 20 percent reduction in what our orange juice money buys today," Joe says.

Joe sees a solution for low COLAs and Social Security's long-

term solvency issues. Currently the highest paid employees, including CEO of top U.S. companies only pay Social Security taxes on the first \$132,900, even when they pull in multi-million dollar salaries. "The future of Social Security would be brighter, if the taxable maximum earnings to which the Social Security payroll tax is applied would include the high earners," Joe says.

Many of you agree with Joe. About 74% of survey participants in TSCL's Senior Survey support applying the 12.4% Social Security payroll tax to all wages above the annual maximum which is \$132,900 in 2019. This one fix alone is estimated to close roughly three-quarters of the Social Security financing gap. Let's ask our Members of Congress to get on board. Read more about sustainable solvency for Social Security in our latest Benefit Bulletin, "Social Security Legislation Would Provide 75 Years of Solvency To Social Security." ■

*Best Ways To Save: Shopping for a Better Drug Plan NOW Can Put More Money in Your 2020 Budget; continued from page 5*

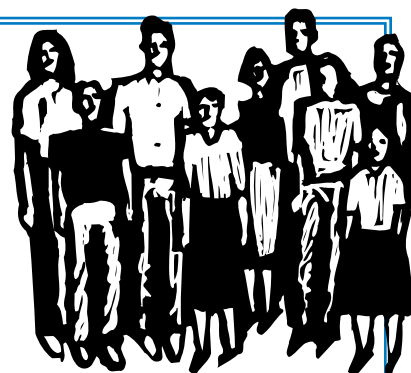
Cigna-HealthSpring Rx Secure—Extra Part D plan. The highest cost plan, which does not cover Lantus, charges the full price, \$383.18 per 100/ml. Which would you rather have?

It pays to compare your options, but you need to do this soon, before the Medicare Open Enrollment period ends December 7<sup>th</sup>. For help shopping for a new drug or health plan locate Medicare benefit counselors in your area. Visit the State Health Insurance Program website—<https://www.shiptacenter.org>. ■

## Your Opinion Counts!

We can strengthen Social Security, Medicare and Medicaid programs without the need for deep cuts and higher out-of-pocket costs.

The Senior Citizens League needs your opinions and ideas to share with Members of Congress on the issues. Make sure they hear your concerns. Take a survey, sign a petition, read about the latest legislative action in Congress, or send us an email. Visit The Senior Citizens League's website at [www.SeniorsLeague.org](http://www.SeniorsLeague.org).





## SOCIAL SECURITY & MEDICARE QUESTIONS

# What Can You Do When Your Doctor Prescribes an Expensive Medication that Your Insurance Doesn't Cover?

**Q:** My doctor prescribed a new drug, but when I tried to fill it the first time I learned that my drug plan does not cover it. The drug cost close to \$600 dollars and I could not afford that! What can I do?

**A:** Thousands of prescriptions are abandoned at pharmacies each year, often due to high prices. There are several things you can do to try to bring that cost down to a more manageable level.

- Ask your doctor for free samples of the new prescription. While the supply may be limited, free samples help you and your doctor assess the effectiveness of a new medication. You will be able to learn how well you respond to the medication and whether you experience any severe side effects.
- Learn if there's an older, less expensive drug that you can try first. If you have a copy of your drug plan's formulary you may want to take that with you to the doctor's office to assist with checking an alternate medication, and what you will pay out of pocket.
- Compare drug plans during the fall Medicare Open Enrollment Period which is going on now, through December 7. If your drug plan does not cover an expensive drug, it's time to find a better plan. This does not have to be hard to do. Free one-on-one counseling is available through your State Health Insurance Program (SHIP). Many of these programs operate through your local area on aging, or senior center. For contact information visit the SHIP website: <https://www.shiptacenter.org>.
- If you require a non-formulary drug, for which there is no acceptable alternative, your doctor can ask your Medicare drug plan for a Formulary Exception, a type of Coverage Determination that would add the drug to your Part D plan coverage. If approved, you would be able to purchase your medication at the lower plan co-insurance and receive discounts if or when you reach the Part D doughnut hole.
- Since your new prescription is not covered by your drug plan,

learn if there's a pharmaceutical assistance program. These programs provide heavily discounted medications to qualified applicants, but not every drug has such a program. Your doctor may be able to provide you with contact information for help to apply, or you can try contacting your local SHIP program, through your local area on aging or senior center. For contact information visit the SHIP website: <https://www.shiptacenter.org>. ■

## APPLY FOR MEDICARE "EXTRA HELP"

Medicare Extra Help is a program that helps to pay for Part D premiums, annual deductibles, and co-payments for your medications. You apply online using the Social Security Administration website. For more information see this pdf from the Social Security Administration: <https://www.ssa.gov/pubs/EN-05-10525.pdf>.