

# IOWA CITIZEN ACTION NETWORK EDUCATION FOUNDATION MEDICARE EDUCATION PROJECT

**HOW WILL THE BUSH MEDICARE PRESCRIPTION DRUG LAW AFFECT YOUR BUDGET IN 2006?**

## Drug Costs of \$500 per Month

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>What You Pay</b>	\$347.50	\$160.00	\$160.00	\$160.00	\$347.50	\$535	\$535	\$535	\$535	\$535	\$155	\$60
<b>What Medicare Pays</b>	\$187.50	\$375	\$375	\$375	\$187.50	\$0	\$0	\$0	\$0	\$0	\$380	\$475

## Drug Costs of \$200 per Month

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>What You Pay</b>	\$235	\$122.50	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$197.50
<b>What Medicare Pays</b>	\$0	\$112.50	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$37.50

### What You Pay

**Premiums** - What you have to pay annually to get the drug benefit (amounts individual plans charge will vary, but the average is expected to be \$35/month, \$420/year).

**Deductible** - The amount you have to pay for prescription drugs before the plan helps with your drug costs. \$250/year.

**Co-Pays** - From \$250-\$2250 in costs, you pay 25%. For drug costs above \$5100, you pay 5%.

**The "Doughnut Hole"** - From \$2251-\$5100, you pay 100%. In the "doughnut hole," you have no coverage.