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Medicare

CMS Releases Medicare Rx Plan Data; Average Premiums Slightly Higher in 2008

Average monthly premiums for Medicare Rx coverage through stand-alone prescription drug plans will be slightly higher in 2008 than in the previous two years, although most beneficiaries will have access to Part D plans that cost less than those in which they are currently enrolled, the Centers for Medicare & Medicaid Services announced Sept. 27.

CMS said that while average premiums for prescription drug plans (PDPs) would be about \$25 per month in 2008, beneficiaries in all states would have options for plans with premiums less than \$20 per month.

CMS said 17 insurance providers would offer plans nationally, including some with no deductibles, and some that include generic drug coverage in the so-called doughnut hole for less than \$30 per month. In all states, beneficiaries will have access to at least one plan with generic coverage in the doughnut hole for less than \$47 per month, it said.

According to state-by-state plan data published by CMS, most beneficiaries will have about the same number of enhanced PDP options in 2008 as they did in their states in 2007.

Premiums for Medicare Advantage plans with drug coverage (MA-PDs) will average about \$11 less than PDPs next year, CMS said, noting that MA-PDs averaged about \$7 less than PDPs in 2007. The Medicare agency also said most beneficiaries would have access to zero-premium, zero-deductible MA-PD plans in 2008.

Although plan contracts still are being finalized, CMS published on its Web site general information about plan offerings in each state. Plan-specific details will be released publicly in mid-October in advance of the Nov. 15 start of open enrollment. Open enrollment for 2008 runs through Dec. 31.

"The 2008 options show that beneficiaries will continue to enjoy excellent value and choice in the Medicare prescription drug program," Health and Human Services Secretary Michael O. Leavitt said in a CMS news release. "The benefit continues to receive high marks from people who participate in the program."

Leavitt also noted that 2008 premiums are almost 40 percent less than originally projected when the Medicare Prescription Drug, Improvement, and Modernization Act was passed by Congress in 2003.

Additional information about plans on a state-by-state basis is at <http://www.cms.hhs.gov/center/openenrollment.asp>, under the Spotlight section.