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The hunt for a good plan (February 2006 issue, page 36)

To see what it takes to find the right drug plan, a Consumer Reports reporter shopped with Marie (who asked us not to disclose her last name), an 88-year-old in southern Connecticut. She is not computer-proficient, so our reporter guided her through the process. Here's what they did.

1 Calculated current drug costs. Marie takes only three drugs: Fosamax for bone health, Lipitor to lower cholesterol, and Norvasc for high blood pressure. She has been buying them in Canada and paying about \$400 in U.S. currency every three months. At a typical U.S. pharmacy, they'd cost \$160 a month or \$1,920 a year.

2 Used Medicare's online tools. Marie and the Consumer Reports reporter went to www.medicare.gov and clicked on Compare Medicare Prescription Drug Plans. Marie entered her Medicare number and her birth date (which the Web site tells you it will discard) and her ZIP code, and found that she had 55 plans to choose from in her county, including 11 Medicare Advantage Plans or HMOs. "How would I know which one I want?" she asked. "None of these plans mean anything to me."

Her first decision was easy. She didn't want to belong to an HMO. That left 44 plans. She narrowed the list to eight, mainly on name recognition: a plan from Anthem Blue Cross Blue Shield, \$28.64 a month; two Aetna plans, one with a monthly premium of \$37.61, the other, \$65.58. She wanted more details about the plan AARP is marketing to its 35 million members. Its monthly premium of \$23.69 sounded about right. Besides, she said, "I have a lot of faith in them." Humana offered the lowest premium on her list, \$7.32, but she was wary. "For that, they are not going to give you anything," she said, so she asked to see the two higher-priced Humana plans as well--the company's Complete plan with a

monthly premium of \$55.08 and its Enhanced plan, \$13.92 a month. She also selected a plan from Unicare for \$18.85 a month.

3 Compared plan costs. Marie then entered all her drugs into another Web tool at the site. It combined copayments, drug prices, deductibles, and premiums for the eight plans and then told her how much she would end up spending. It turns out you can't judge a plan by its premium or its name. Marie would pay the most for her drugs--\$4,488 a year--with Aetna's Rx Premier plan, which has a \$65.58 premium. Aetna's Essentials and AARP's plan would cost a few hundred dollars less. Humana's low \$7.32-monthly plan turned out to be much more costly than its Complete plan, which cost \$55.08. Because the latter provided some coverage in the doughnut hole (where there is normally no coverage), it reduced her annual out-of-pocket spending to \$1,740.

4 Inquired about the plans. To link to plan Web sites, you have to return to the first Web tool, but Marie decided to phone for more information. She didn't get much. The Humana representative said she was too busy to answer questions and told Marie to call back. Aetna's rep estimated that her co-payments would be \$20 to \$40 but said he couldn't say for sure because he didn't have the sales kit. Others rattled off information about co-payments and drug tiers, and 30- and 90-day supplies. None mentioned step therapy or other tools that plans use to control drug costs. The coverage gap (or doughnut hole) still confused Marie. "Gap," she said. "I only know the store."

In the end, Marie decided to continue buying drugs in Canada. What she's spending there is still less than the least expensive plan she investigated.