

Saving Money on Medication

Where to look to start cutting costs

“The number of people without health insurance coverage rose from 46.3 million in 2008 to 50.7 million in 2009.”¹ Still more people have limited coverage.

Prescription medicine costs, which is a common health-care cost for many people, can be the source of considerable economic hardship.² Even out-of-pocket prescription costs (e.g., deductibles, co-payments, and upper limits in coverage) for those with insurance can cause hardship.²

These costs are an ongoing problem as many have incomes that are not increasing, while “overall prices for medication are rising faster than the pace of

inflation, with brand-name and specialty drug costs going up more than twice the rate of inflation.”³

For a typical older American (who takes three drugs), these increases likely translate to large spending increases if these price increases are passed on to the consumer.⁴ For families with multiple members who need medications periodically and for individuals who use medications for chronic conditions regularly, these costs add up as well. In fact, “many Americans just can’t afford health care, and, if they can, they don’t have the money to buy their medications.”⁵

So, this leaves us with the question, “what can we do to reduce the costs of our medications?” I wish I could tell you the answer was simple or that if you just followed a three-step process you would come to the perfect solution for your health-care spending. Unfortunately, this is not the case. Each person’s health needs are different. Because different people use different medications produced by different manufacturers, the answer may be different for each of you.

There are many avenues for saving health-care dollars, but it will not be without some research on your part. Still, there are some simple things you can do in an effort to reduce your spending on medications. We hope this issue of

HealthHints will make your search for ways to cut your drug prices a little easier by giving you a guide to many of the resources available to you. So, let’s begin our journey to find the answer that is right for you.

Information, Information... Knowing about your medications

Information, information, information.... Though we are seeking information to cut our costs, we won’t get very far in our journey if we don’t have our own information correct. The first thing to do is to make an accurate list of your medications – both prescription and over-the-counter. Here are some things to denote in your list:

- brand name (e.g., Tylenol),
- medical/technical name (e.g., acetaminophen),
- dosage (e.g., 500 mg),
- form (e.g., liquid, tablet, capsule; children’s or adult’s formula), and
- amount needed (e.g., 30-count bottle of pills or 150 count).

Also, be sure to include in your list any vitamins and herbal supplements you are taking since they can interact with any drugs your doctor might prescribe.

You should be able to find all the necessary information on the



package label. If you don't have the information you need, call your doctor or pharmacist for more information.

Ask Your Doctor & Pharmacist Communicate for cost savings

Once you have your list of medications, vitamins, and any other supplements, you are ready to take action. One of the first things you can do to cut drug costs is talk with your doctor. In fact, it can be helpful to tell the person scheduling your next doctor's visit that you need time for a drug consultation, or schedule a consultation-only appointment to discuss your treatment and your medications. If you have more than one doctor prescribing medication to you, schedule the consultation with your primary-care physician. Let your doctors know that cost is a concern.

Before your appointment, get prepared.

- Have your list of medications and supplements ready.
- Start keeping a prescription drug record all of the time, adding new prescriptions and taking off old ones, as well as noting when dosages are changed. (Note: When a doctor is giving you a new prescription or changing dosages, let him/her know that cost is a concern at that time, in case there are less costly options.)

Resource Extra

See U.S. Pharmacopeia's fact sheet, "[...A Dozen Questions to Help You Understand Your Medicines](#)," for more information.

- Write down the questions you want to ask the doctor, and take the list with you.⁶

Here are some questions that can help start the conversation with your doctor:

- Are there medications available that work the same but cost less?
- Is there more than one drug that can be used to treat my condition?
- Are there generic drugs that will work the same as my brand-name drugs? (Generic drugs often cost less and work as effectively.)
- How do other prescription drugs compare in price? (Note: Sometimes the most expensive drug is not the most effective drug.)
- If lower-cost medications are available, how do they compare in safety and effectiveness?
- Are free samples available?
- Is there an older version of this drug that would be just as effective but is less expensive?
- Is pill splitting an option? (For more details, see the section below, "Is Pill Splitting Safe & Cost Effective?")
- What is this medication? (Make sure you know what medication you are taking for what condition. Ask the doctor to write it down, or take notes so you can remember accurately. Having this information will allow you to consult with your pharmacist and other doctors in an easier manner. It can also help you in researching other ways to reduce drug prices.)^{6,7}

Your pharmacist is also a part of your health-care team and a good source of information on prescription drugs and prices in your area. It can be helpful to

discuss your medications with your pharmacist, especially if you are seeing more than one doctor. Here are some suggestions for talking with your pharmacist.



- Make an annual appointment with your pharmacist, and take in all of your medications (including over-the-counter and supplements) once a year for a review. Ask about prices.⁶
- Ask if any new generic drugs have become available.⁶
- Ask if any of your prescription drugs have become available over-the-counter.
- Ask if there are any special manufacturer coupons that may save you money.
- Ask if buying in larger quantities will save you money, such as buying a 90-day supply rather than a 30-day supply.
- Be sure to compare prescription drug prices at several different pharmacies.

Is Pill Splitting Safe & Cost Effective?

Splitting pills in half can sometimes give you two pills for the price of one. That's because many popular drugs are sold for about the same price regardless of the strength (e.g., a 20 mg pill may be sold for the same amount as a 40 mg pill in the same quantity bottle).^{8,9}

Pills are sometimes split because they are only available in higher strengths or because whole and half tablets must be combined for the exact dosage. So, to help

patients save money, sometimes doctors can prescribe pills at twice the required dosage and instruct the patient to cut them in half, effectively cutting costs in half as well.⁹ (Note: Pill splitting never implies changing the dosage recommended by your doctor.)

The following are some tips from the American Association for Retired Persons (AARP) on splitting pills safely and effectively:

- Ask your doctor if any of your medications are candidates for splitting. Some medications are not meant to be cut or broken in half, such as time-release tablets or those formulated with special coatings that contribute to the absorption rate of the medication. Pills that aren't scored or notched can produce fragmented or crumbled pieces, which can result in altered dosages when attempting to split. Some medications are simply not available in dosages that would allow for splitting.
- If your doctor says your medication is a candidate for splitting, shop around for the best price at double the dose. Keep in mind, in some cases pill splitting will not produce any cost savings.
- Check with your health insurer or pharmacy assistance program (see [Resource Guide](#)) to make sure changing your prescription for this purpose is permitted.
- Buy a good quality plastic pill splitter. They are available for about \$3-6. Even if you have a notched pill and sharp knife, a pill splitter is worth the investment to ensure that you get the right dose. If you ask, your pharmacist may split your pills for you.

- When you get your prescription, split the pills right away to make sure you don't accidentally take the wrong dose.^{8,9}

Medicare Assistance

The prescription drug benefit

Medicare is the federally funded health insurance program for those over age 65 and certain disabled individuals. As a part of a major restructuring of the Medicare system, Medicare began offering widespread coverage for medications to beneficiaries beginning January 1, 2006.

To help you make an informed decision about whether or not Medicare services will be able to help you to better afford your prescription drugs see [Medicare](#)

Resource Guide

Finding your way to the right information

The next step in our journey to reduce drug costs will require your input into the research. The [Resource Guide](#) can help you find your way amidst the different options available. These options will usually require an application, information about your specific medications, and/or financial and health status information. **Note:** Be wary of anyone who solicits this information from you. Rather, initiate the research and make the appropriate contacts yourself. See the Fraud Alert section of this newsletter for more information about avoiding scams.

[Part D: The Prescription Drug Benefit.](#)

Fraud Alert

Tips for avoiding prescription drug scams

Unfortunately, as you continue your journey to find low-cost medications, you must also be on the lookout for fraud. You should beware of anyone calling you soliciting medication or personal information. When purchasing on-line, you must also take special precautions to avoid scams and potential health risks.

The following are tips and warnings provided by the U.S. Federal Drug Administration (FDA) regarding buying medication and medical products on-line:¹⁰

- Check with the [National Association of Boards of Pharmacy](#) to determine whether a website is a licensed pharmacy in good standing. On-line providers should be [VIPP](#) (Verified Internet Provider Practice) sites. Look for the [VIPP seal](#).
- Don't buy from websites that offer to prescribe a prescription drug for the first time without a physical exam, sell a prescription drug without a prescription, or sell drugs not approved by FDA.
- Don't do business with websites that have no access to a registered pharmacist to answer questions.
- Avoid websites that do not identify with whom you are dealing and do not provide a U.S. address and phone number to contact if there's a problem.
- Look for easy-to-find and understand privacy and security policies. Don't provide any personally identifiable information (Social Security

number, credit card number, or health history) unless you are confident that the site will protect it. Make sure the site does not share your information with others without your permission.

- FDA recommends you don't purchase from foreign websites at this time because, generally, it will be illegal to import the drugs bought from these sites, the risks are greater, and there is very little the U.S. government can do if you get ripped off.
- Beware of websites that advertise a "new cure" for a serious disorder or a quick cure-all for a wide range of ailments.
- Be careful of websites that use impressive-sounding terminology to disguise a lack of good science or those that claim the government, the medical profession, or research scientists have conspired to suppress a product.
- Steer clear of websites that include undocumented case histories claiming "amazing" results.
- Talk to your health-care professional before using any medications for the first time.

Consumers who suspect that a website is illegal can report it to FDA at 1-888-INFO-FDA (1-888-463-6332) or at their [website](#).

Remember, fraudulent companies can put you at potential risk. Be aware of the following dangers when dealing with on-line purchases:

- Purchasing a medication from an illegal website puts you at risk.

This document is meant for educational purposes only and is not intended to replace the advice of your doctor or other health care provider.

You may receive a contaminated or counterfeit product, the wrong product, an incorrect dose, or no product at all.

- Taking an unsafe or inappropriate medication puts you at risk for dangerous drug interactions and other serious health consequences.
- Getting a prescription drug by filling out a questionnaire, without seeing a doctor, poses serious health risks. A questionnaire does not provide sufficient information for a health-care professional to determine if that drug is for you or safe to use, if another treatment is more appropriate, or if you have an underlying medical condition where using that drug may be harmful. The American Medical Association has determined that this practice is generally substandard medical care. FDA agrees.¹⁰



See the FDA's fact sheet, "[Buying Prescription Medicines On-line: Consumer Safety Guide](#)," for more information.

In addition to avoiding fraudulent scams on-line, you must also be aware of fraudulent practices that come right to your door or phone, particularly those regarding Medicare and drug discount card scams. Medicare beneficiaries with drug discount cards are fast becoming a target of con-artists. According to the Texas Department of Aging and Disability Services,

"those behind the scams offer to enroll people [in Medicare-Approved Drug Discount Cards] in exchange for their bank information, Social Security number, or credit card number. In some cases, callers seem to already have obtained personal information and use that to try to collect additional information."¹¹

The Texas Department of Aging and Disability Services offers the following tips for avoiding fraudulent scams:

- Be on guard against phone or personal solicitations. Medicare contacts people only by mail. Medicare will never phone or knock on a person's door to enroll them in a program.
- Do **NOT** give out personal or financial information to people you don't know.
- Medicare-Approved Drug Discount Cards will carry a Medicare-Approved Seal.
- If you suspect fraudulent practices, call the Medicare Fraud Hotline at 1-800-447-8477.¹¹

Other Helpful Links

Need more information? Check the links below for other helpful information in your search for lower-cost medications.

- [Consumer Reports Best Buy Drugs](#)
- [AARP Benefits QuickLink: Prescription Drug Benefits](#)
- [Texas Department of Aging and Disability Services](#)

To view the references used in this newsletter, go to: http://fcs.tamu.edu/health/health_hints/2010/nov/ref.php

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Medicare Changes: Part D

The prescription drug benefit

Medicare began providing prescription drug coverage through Medicare Part “D” in 2006. Enrollment in Medicare Part D is optional, but you may pay an additional premium if you do not enroll in the program within a certain time period after becoming eligible unless you have other “creditable coverage.” Private companies, contracted by Medicare, offer the Part D benefit, but there is no separate application process – application is made directly through Medicare. Over-the-counter medications are not covered by the Part D benefit – only prescription medications.

Medicare Part D in 2012

Reforms implemented under the Affordable Care Act of 2010 made great strides to simplify Medicare Part D and also begin to close the coverage gap, also known as the “donut hole.” The average monthly premium for 2012 Medicare Part D coverage is \$39.40 (approximately \$473 annually), which is deducted from your Social Security benefit check each month. Plans may not charge a deductible of more than \$320. Thus, a plan basically costs an average of \$793 in 2012. Your monthly premium may be higher if your income is above \$85,000 for an individual, \$170,000 for a couple.

Medicare has established a formulary to calculate your benefits (see “Formulary Defined,” page 2). After you have met the deductible (if your plan has a deductible):

- You pay your co-payment for prescription drugs (25 percent), and your insurance plan pays its share (75 percent) until combined expenditures reach \$2,930 (not counting your monthly premiums).
- After combined expenditures reach \$2,930, you will receive a 50 percent discount on brand-name drugs covered by the plan’s formulary and a 14 percent discount on generic drugs covered by the formulary until your out-of-pocket spending reaches \$4,700. Out-of-pocket spending includes the amount of the discount.
- When your out-of-pocket spending reaches \$4,700, you will then pay a co-payment (5 percent) for each drug through the end of the year, and your plan pays the rest (95 percent).

Example 1 – Annual Spending Does Not Exceed \$4,700

Let’s assume you take Lipitor (\$86/month)*, Plavix (\$152/month), Nexium (\$164/month), and Metformin Extended Release (\$19/month [generic]) – for a total annual expenditure of \$5,052. Your plan has a \$39.40 monthly premium, a \$320 annual deductible, and all your drugs are covered by the plan’s formulary.

Example 1: Annual Spending Does Not Exceed \$4,700

	Monthly Premium	Annual Deductible	Expenditures up to \$2,930	Expenditures between \$2,930 and \$4,700	Expenditures Exceeding \$4,700
You Pay:	\$472.80 ((\$39.40/ monthly premium × 12 months =)	\$320	\$632.50 ((\$2,930 – \$320 [deductible] = \$2,610 × 25% [your out-of- pocket expense for prescriptions] =)	\$1,101.32 (amount is based on you paying 50% for covered brand-name drugs and 14% for generic drugs while in the coverage gap)	\$0.00 [‡] (amount is based on you paying 5% for each prescription once your out- of-pocket spending reaches \$4,700 for the year)
Coverage Gap Discount:	\$0.00	\$0.00	\$0.00	\$1,020.68 [‡]	\$0.00
Plan Pays:	\$0.00	\$0.00	\$1,957.50	\$0.00	\$0.00 [‡]

*Median monthly drug prices from Kaiser Family Foundation: <http://www.kff.org/medicare/upload/8095.pdf>. Last accessed Nov. 7, 2011.

†This figure represents the discount provided during the coverage gap, not expenditure by the plan.

‡Annual expenditures did not reach the catastrophic coverage level.

For this example, you paid approximately \$2,546.62 for your prescription drugs (including your monthly premiums and annual deductible); your insurance paid \$1,957.50, and you received a \$1,020.68 discount while in the coverage gap. **You saved approximately \$2,505.38 over the course of the year for your prescription drugs.**

Example 2 – Annual Spending Exceeds \$4,700

Let's assume you take Lipitor (\$86/month)*, Plavix (\$152/month), Nexium (\$164/month), Metformin Extended Release (\$19/month [generic]), Lexapro (\$86/month), Aricept (\$198/month), and Seroquel

(\$155/month) – for a total annual expenditure of \$10,320. Your plan has a \$39.40 monthly premium, a \$320 annual deductible, and all your drugs are covered by the plan's formulary.

For this example, you paid approximately \$3,526.60 for your prescription drugs (including your monthly premiums and annual deductible); your insurance paid \$5,436.40, and you received a \$1,829.80 discount while in the coverage gap. **You saved approximately \$6,793.40 over the course of the year for your prescription drugs.**

Example 2: Annual Spending Exceeds \$4,700					
	Monthly Premium	Annual Deductible	Expenditures up to \$2,930	Expenditures between \$2,930 and \$4,700	Expenditures Exceeding \$4,700
You Pay:	\$472.80 (\$39.40/month premium × 12 months =)	\$320	\$652.50 (\$2,930 – \$320 [deductible] = \$2,610 × 25% [your out-of-pocket expense for prescriptions] =)	\$1,898.20 (amount is based on you paying 50% for covered brand-name drugs and 14% for generic drugs while in the coverage gap)	\$183.10 (amount is based on you paying 5% for each prescription once your out-of-pocket spending reaches \$4,700 for the year)
Coverage Gap Discount:	\$0.00	\$0.00	\$0.00	\$1,829.80 [†]	\$0.00
Plan Pays:	\$0.00	\$0.00	\$1,957.50	\$0.00	\$3,478.90

*Median monthly drug prices from Kaiser Family Foundation: <http://www.kff.org/medicare/upload/8095.pdf>. Last accessed Nov. 7, 2011.

†This figure represents the discount provided during the coverage gap – not expenditure by the plan.

Formulary Defined...

A formulary is a list of preferred, prescription drugs that a health plan approves for use based on safety, effectiveness, and affordability. Typically, health plans only pay for medications on this “approved” list. Take a copy of your plan's formulary to your health appointments and ask your doctor if he/she is prescribing your medications from the formulary list. If he/she needs to prescribe a non-formulary drug, ask if prior authorization can be sought for the health plan to cover payment of this medication.

Each plan's formulary is organized into tiers, and the formularies and tiers may vary from plan to plan. Each tier is associated with a set co-pay amount – the lower the tier, the lower the co-pay amount. For example, Tier 1 might include generic drugs that require the lowest co-pay. Tier 2 might include preferred brand drugs with a higher co-pay, while Tier 3 might include non-preferred brand name drugs that are covered by the plan at a higher co-pay level.



Assistance for Low-Income Medicare Beneficiaries

Certain low-income Medicare beneficiaries may be able to receive additional help under Medicare Part D – programs known simply as “Extra Help.” Medicare uses the Federal Poverty Level (FPL) to compute which beneficiaries may be eligible for Extra Help. The FPL changes from year-to-year, and these figures usually change at the beginning of each year; the income limits for low-income assistance may be revised in 2012.

For 2011*, you were eligible for Extra Help paying for the Medicare prescription drug benefit if your annual income was below \$16,335 (\$22,065 for couples) and your resources were below \$12,640 (\$25,260 for couples). Even if your income or assets were above the limits, you may have qualified because certain types of income and assets may not be counted. You can apply for Extra Help at any time.

If you do not have Medicaid, Supplemental Security Income, or a Medicare Savings Program, you can apply for help paying for your Medicare drug benefit through the Social Security Administration by using either the agency's print or online application. You will also be able to apply for it at your local Medicaid office.

If you apply through Social Security, you can state your income and assets without



having to provide copies of your financial statements when you apply. If you apply at your local Medicaid office, counselors there will check to see if you qualify for other assistance programs, such as a Medicare Savings Program.

For the Most Current Information...

As with most Medicare programs, the fee structure increases yearly on a percentage basis. The new copy of *Medicare and You 2012* should arrive in the mail

in October 2011. Be sure to review these changes carefully as you will need to make an informed decision about changes you might want to make to your existing plan or enrollment in a new plan. **These changes may only be made once per year: October 15 through December 7, except under special considerations.**

As always, the most current information on this and all other Medicare programs may be accessed through Medicare either by phone at 1-(800) MEDICARE (1-800-633-4227) or via the Internet: www.medicare.gov. For more information on Medicare Part D, see:

- Social Security Administration, www.ssa.gov or 1-800-772-1213
- Texas Department of Aging and Disability Services, www.texasmedicarerx.org
- Area Agencies on Aging of Texas, www.dads.state.tx.us/services/contact.cfm or 1-800-252-9240
- 2-1-1 Texas – Dial 211 from your home telephone for information and referral to services in your area.
- Texas AgriLife Extension Service – Senior Medication Issues, http://fcs.tamu.edu/families/aging/senior_medication_issues/index.php

*U.S. Social Security Administration. (2011). Apply online for Extra Help with prescription drug costs – It's easier than learning the twist. <http://www.ssa.gov/pubs/10525.html>. Last Accessed: November 7, 2011.

Disclaimer

The examples shown in this document are for demonstration purposes only. For a more accurate cost estimation based on your personal circumstances, go to www.medicare.gov to input your specific prescription medications and other important information that is specific to you. Or you may call Medicare directly at 1-(800) MEDICARE (1-800-633-4227) to obtain assistance.

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Resource Guide

Finding your way to the right information

Some steps in the journey to reducing drug costs will require your research efforts. The following is a resource guide designed to help you find your way amidst the different options available to you. These options will usually require an application, information about your specific medications, and/or financial and health status information.

Patient Assistance Programs. Federal and state governmental agencies, private foundations, and pharmaceutical companies offer assistance programs to individuals who meet certain levels of need. For more information, see the following websites:

- Partnership for Prescription Assistance, http://www.pparx.org/en/prescription_assistance_programs – a database of research-based pharmaceutical companies that provide prescription medicines free of charge to physicians whose patients might not otherwise have access to necessary medicines.¹
- Benefits CheckUp, <http://www.benefitscheckup.org/> – a free, easy-to-use service that identifies federal and state assistance programs for older Americans.¹
- Access to Benefits Coalition, <http://www.accesstobenefits.org/> – a public-private partnership dedicated to ensuring that low-income Medicare beneficiaries know about and can make optimal use of new Medicare prescription drug benefits and all available resources for saving money on prescription drugs.¹
- State Health Insurance Assistance Program (SHIP), <https://www.shiptalk.org> – a state-based program that offers local one-on-one counseling and assistance to people with Medicare and their families. Free counseling and assistance is available via telephone and face-to-face interactive sessions, public education presentations and programs, and media activities.

Pharmaceutical Company Assistance. Many drug makers offer free supplies of their own products to

persons who do not have prescription drug coverage. Sadly, with the inception of Medicare Part “D,” many of these programs for eligible Medicare beneficiaries have been limited due to the availability of prescription drug coverage. While coverage under Part “D” may be a limiting factor, it certainly does not exclude older adults from qualifying for prescription drug assistance programs. For more information, call (888) 477-2669, or go to <http://www.pparx.org/en>.²



Rx Discount Programs. Prescription discount programs may be available through many drug companies as well as private entities, such as foundations. These discount cards may be offered by for-profit or non-profit entities or pharmaceutical manufacturers that have made arrangements with pharmacies to discount certain drugs. (Note that cards other than those offered by the pharmaceutical manufacturer may have an annual or monthly fee.) These programs typically allow eligible individuals to purchase a 30-day supply of certain prescription drugs at a discount or specified co-payment. To be eligible, however, participants must meet income criteria and have no other form of prescription drug coverage, in most cases.³ For specific information about qualifications, check with the particular program. For more information, see these resources:

- Drug discount cards and pharmaceutical manufacturer drug discount cards: www.rxassist.org/faqs/drug-discount-cards.cfm
- Additionally, ask your pharmacist about discounts available, or search the website at www.rxassist.org for more information.

Additional resources for prescription drug assistance may be found by searching the following websites:¹

- Pfizer Helpful Answers, www.pfizerhelpfulanswers.com/ – program offered by Pfizer to low-income individuals who do not currently have prescription drug coverage.
- Together Rx, www.togetherrxaccess.com/home.html – prescription drug savings program that provides savings to eligible enrollees on more than 150 widely prescribed medicines.
- NeedyMeds.com, www.needymeds.com – information about many different prescription assistance programs offered by various groups.

Veteran & Military Benefits. Veterans and military personnel, retirees, spouses, widows, and dependents may qualify for health benefits, including reduced or no-cost prescription drugs. To find out about the benefits available to you if you are a veteran, call (877) 222-8387, or go to the Veteran’s Administration website at <http://www4.va.gov/healtheligibility/>. If you



are a military retiree, spouse, widow, or dependent, go to www.tricare.osd.mil, or see specific contact information at <http://www.tricare.mil/contacts/>.

Disability Assistance Programs. People with disabilities can seek help through Medicare programs. Medicare program benefits are for people with disabilities, regardless of age. Go to the Medicare website at www.medicare.gov for eligibility information.

Assistance for Children. There are several important programs that can help pay for health premiums, prescription drugs, and other health services for children and their families who qualify.

- Medicaid – Medicaid health insurance is provided at no cost to qualifying children. Children’s health care benefits under Medicaid are extensive and often are better than benefits packages offered by private employers. Medicaid emphasizes preventive health so that children’s health problems can be caught early or prevented altogether.

Once qualified for Medicaid, the child continues to receive coverage until a change occurs in the

child’s or the family’s situation that would cause disqualification. The child’s situation is checked periodically, usually once every six months or possibly more often, to determine if the child still qualifies for Medicaid coverage. Income and asset requirements are considered for qualification to Medicaid for children.

- CHIP – The Children’s Health Insurance Program is available to help with the insurance cost problem that is faced by many families. This insurance is available to children in working families, including families that include individuals with a variety of immigration statuses (see www.insurekidsnow.gov/ for more information).⁴ In CHIP, higher-income families may pay monthly premiums, which cover all children in the family. Most families will also have co-payments for doctor visits, prescription drugs, and emergency care.

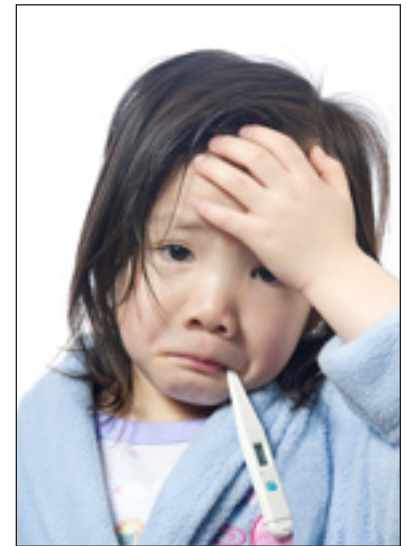
CHIP is offered by private health plans. It covers services such as prescription drugs, as well as hospital care, surgery, x-rays, physical/speech/occupational

therapies, emergency services, transplants, and regular health check-ups and immunizations.

For a complete list of benefits offered through CHIP to Texans, call the CHIP hotline at 1-800-647-6558. You can also check for recent updates to CHIP and Medicaid that may impact

your family by going to the Texas Health and Human Services Commission website at www.chipmedicaid.org.

- SKIP – The State Kids Insurance Program is a program that can help cover children’s health premiums for State of Texas employees. If you don’t qualify for Medicaid and meet the other socioeconomic eligibility requirements, this may be a cost-saving possibility. For requirements, see their website at www.ers.state.tx.us/insurance/skip/default.aspx, or contact their hotline: 1-800-647-6558.⁵



Discount Mail Order Programs. Discount mail order programs can offer cost savings on prescriptions. A key element in mail order is quality control of your drugs (e.g., making sure temperature-sensitive drugs are not harmed) and avoiding fraud. There are many mail order options, but here is a list recommended by the American Association for Retired Persons:²

- AARP program – (888) OUR-AARP (888-687-2277) or www.aarppharmacy.com
- Medco Health – (800) 758-4531 or www.yourxplan.com
- DestinationRX (for price comparison among plans) – www.drx.com

Medicare Assistance. Medicare is the federally funded health insurance program for those over age 65 and certain disabled individuals. As a part of a major restructuring of the Medicare system, Medicare began offering widespread coverage for medications to beneficiaries beginning January 1, 2006. To help you make an informed decision about whether or not new Medicare services will be able to help you to better afford your prescription drugs, see [Medicare Part D: The prescription drug benefit](#).

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