

Guidestone prescription drug benefits will exceed Medicare minimums

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DALLAS (BP)—The Medicare supplement plans available through GuideStone Financial Resources of the Southern Baptist Convention will provide prescription drug benefits that exceed the minimum standard set by Medicare.

Beginning Jan. 1, 2006, all individuals with Medicare will be eligible for a new Medicare-approved prescription drug benefit also known as Medicare Part D. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) created the voluntary program for seniors and disabled persons with Medicare.

A provision of the MMA permits Medicare recipients who currently receive healthcare and drug coverage through entities such as GuideStone Financial Resources to keep that coverage instead of enrolling in a separate Part D Plan. By continuing prescription drug coverage for individuals with Medicare, GuideStone qualifies to receive a subsidy that

ultimately will be passed on to participants in the form of reduced monthly costs for the GuideStone senior plans.

“This is really a win-win situation for everyone involved,” said Doug Day, GuideStone’s executive officer of benefit services. “With the subsidy provided by Medicare and the cost savings GuideStone has realized as a result of our negotiated drug discounts with our pharmacy benefits manager, we are able to make our health plans much more affordable for our seniors. The rates for both the GuideStone Senior Plan and GuideStone Senior Plus Plan will be reduced for 2006.”

In addition to reducing rates, benefits will improve for both of GuideStone’s Medicare supplement plans. For the Senior Plan, the \$5,000 cap for brand name drugs will be removed for 2006. There will be no limit on generic or brand name drug benefits.

For the Senior Plus Plan, Part B benefits will increase from \$2,500 to \$5,000. “Our Senior Plus Plan offers a great benefit for the price,” Day said. “With the increase in our Part B benefit, participants can now receive \$25,000 in healthcare services and pay only the Medicare Part B deductible, \$110 for 2005.”

Participants enrolled in one of GuideStone’s Medicare supplement plans don’t need to do anything to continue their healthcare and prescription drug coverage with GuideStone. As long as they do not enroll in a Medicare Part D plan, their current medical coverage at GuideStone can continue. However, it is important to understand that because GuideStone receives the subsidy for retirees enrolled in its Medicare supplement plans, GuideStone is unable to offer the plans to individuals enrolled in a Medicare Part D plan. Members who enroll in a Medicare Part D plan will lose GuideStone’s medical coverage and may not be able to return to the plan at a later date.

Insurance companies and other private companies will work with Medicare to offer the new Medicare Part D prescription drug plans. While all of the plans must provide at least a standard level of coverage set by Medicare, some will offer more coverage and additional drugs for a higher monthly premium. The plans may vary in what prescription drugs are covered, the cost and which pharmacies can be used.

“When companies are allowed to begin advertising their Part D plans on Oct. 1, seniors are going to be bombarded with messages,” Day said. “We want our participants to understand what they’re really comparing when they weigh our plans against the new Part D plans. While there will absolutely be plans out in the marketplace that are cheaper, you have to be sure you’re comparing apples to apples.”

“GuideStone’s plans offer benefits for a wide range of healthcare services in addition to a comprehensive prescription drug benefit,” Day explained. “Companies advertising \$35 or \$40 plans certainly won’t be offering the same level of coverage that GuideStone offers and likely won’t include coverage for physician or hospital expenses at all.”

More information about the new Medicare prescription drug plans is available online at www.medicare.gov or by phone at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

GuideStone participants who have questions about their Medicare supplement plan coverage can call GuideStone toll-free at 1-800-262-0511 between the hours of 7 a.m. and 6 p.m. Central Time. Specific rate and benefit information will be mailed to participants early in the fall.

COMPARISON OF MEDICARE PART D WITH GUIDESTONE MEDICARE SUPPLEMENT PLANS

Medicare Part D Standard Prescription Drug Benefit participants, for 2006, will pay:

- The first \$250 in out-of-pocket drug costs (deductible).
- 25% of the total drug costs between \$250 and \$2,250.
- 100% of the total drug costs between \$2,251 and \$5,100.
- The greater of either: \$2 for generics and \$5 for brand name drugs or 5 percent of the total cost of drugs \$5,101 and up.

Participants must pay \$3,600 out of pocket before the Part D Plan pays 95%.

GuideStone Senior Plus Plan participants, for 2006, will pay the lesser of the drug cost or:

- \$10 for generic drugs
- \$25 for name brand preferred drugs
- \$40 for name brand non-preferred drugs

GuideStone Senior Plan participants will pay:

- The lesser of the drug cost or \$15 for generic drugs
- 40% of total drug cost for all brand name drugs

GuideStone's plans pay first dollar benefits on prescription drugs with no deductible. In addition to prescription drug coverage, both plans provide benefits for Medicare Part A hospitalization services. The Senior Plus Plan also provides benefits for Part B services such as doctor's visits, medical services and supplies.

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