



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Robert M. Kerr
Director

July 1, 2005

Dear SILVERxCARD Beneficiaries:

As you have heard by now, Medicare will begin covering prescription drugs for seniors beginning January 1, 2006. You may have already received or soon will be receiving information from Medicare about the new prescription drug benefit. Please pay close attention to this information because to get Medicare drug coverage, you must enroll in a Prescription Drug Plan (PDP) this fall.

The addition of prescription drug coverage to your Medicare benefit will make it necessary for the SILVERxCARD program to change. As of January 1, 2006, SILVERxCARD will no longer be a primary source of prescription drug coverage. For some beneficiaries above 150% of poverty, there are gaps in the Medicare program. Generally, the changes in the SILVERxCARD program will be used to fill this gap for beneficiaries with income between 150% and 200% of poverty. However, we cannot finish the details regarding the changes in the SILVERxCARD program until Medicare completes their program design. As soon as the details are worked out, we will send you information about the new SILVERxCARD program.

If your income meets certain requirements, you will also be receiving information from the Social Security Administration (SSA) about getting extra help paying for your prescription drugs. Please pay close attention to this information because to get this extra help, you must apply for it. You can begin doing that now at your nearest Social Security Administration Office. We strongly encourage you to apply because, if you qualify, this extra help is better than the help you have been receiving from SILVERxCARD. Please remember, after January 1, 2006, SILVERxCARD will not provide you with basic drug coverage.

Some important dates for you to remember are:

- **July 1, 2005** – The Social Security Administration begins processing applications for those who need extra help with drug plan costs.
- **November 15, 2005** – People with Medicare can sign up for a Medicare prescription drug plan to help lower their drug costs.
- **January 1, 2006** – Medicare begins to pay for your drugs instead of Medicaid.

SILVERxCARD Beneficiaries

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If you have questions about getting extra help paying for your prescription drugs, you should contact the Social Security Administration at 1-800-772-1213, or visit www.socialsecurity.gov. You may also contact the State Health Insurance Assistance Program (SHIP) office at 1-800-868-9095.

Sincerely,

/s/

Robert M. Kerr
Director

RMK:sbb