

**Eli Lilly and Company**  
**Editorial Content for -----**  
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**Headline: Understanding Medicare-Approved Drug Discount Cards**

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In 2006 many seniors and other Medicare beneficiaries will begin receiving Medicare prescription drug benefits. Until then, the federal government, through the Medicare Prescription Drug, Improvement and Modernization Act of 2003, has authorized the establishment of a number of Medicare-Approved Drug Discount Cards. These cards enable seniors and other Medicare recipients to receive lower-cost prescription medications. Following are some helpful questions and answers to help those eligible make informed decisions about the cards.

**1. What are the Medicare-Approved Drug Discount Cards?**

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established the cards for Medicare beneficiaries to use until the Medicare prescription benefits begin in 2006. The cards provide immediate discounts for any eligible individuals who want to take advantage of the program.

In addition, there is “transitional assistance” money to help pay for medications for low income beneficiaries. Low-income beneficiaries (up to 135 percent of the federal poverty level) will receive \$600 of Medicare transitional assistance for 2004 and \$600 of Medicare transitional assistance for 2005 through the Medicare-Approved Drug Discount Cards.

**2. Who is eligible for the Medicare-Approved Drug Discount Cards?**

All Medicare beneficiaries are eligible for the Medicare-Approved Drug Discount Cards except for Medicaid recipients (called “dual eligibles”) who receive outpatient Medicaid drug benefits. Participation in the Medicare-Approved Drug Discount Card Program is voluntary.

**3. Why should I sign up?**

We strongly encourage patients to evaluate signing up for the Medicare-Approved Drug Discount Cards. Many seniors and persons with disabilities already in the LillyAnswers program will fall into the income categories where they will qualify for government payments (transitional assistance) toward their drug costs. Low-income beneficiaries (up to 135 percent of the federal poverty level) will receive \$600 of Medicare transitional assistance for 2004 and \$600 of Medicare transitional assistance for 2005 through the Medicare-Approved Drug Discount Cards. In addition, there are discounts on other drugs the Medicare-Approved Discount Card sponsors negotiated from both manufacturers and pharmacies.

To simplify the process of obtaining maximum assistance, Lilly has partnered with several of the Medicare-Approved Drug Discount Cards to provide free product benefits similar to LillyAnswers through these cards.

To find out if a particular Medicare-Approved Drug Discount Card offers these Lilly benefits to an individual at your income level, check with the card sponsor. (The income level necessary to obtain benefits differs on some cards). For additional information about Medicare and Lilly's partnership with the cards, log on to <http://www.cms.hhs.gov/medicarereform/drugcard/mfragreements.asp> or call 1-800-MEDICARE (1-800-633-4227).

LillyAnswers remains as a stand-alone program, and current LillyAnswers enrollees can still use their LillyAnswers card.

New enrollees have maximum flexibility to choose how they access this Lilly benefit – through the stand-alone LillyAnswers program or through a Medicare card that has partnered with Lilly to offer benefits similar to LillyAnswers to eligible individuals.

#### **4. How do I sign up for the Medicare-Approved Drug Discount Cards?**

Card sponsors are marketing the programs now. Medicare has a Web site, [www.medicare.gov](http://www.medicare.gov), which provides comprehensive information on how to enroll.

#### **5. What is LillyAnswers?**

LillyAnswers is a prescription drug patient assistance program designed to answer the need for affordable drug coverage among low-income, Medicare-enrolled seniors and Medicare-enrolled people with disabilities. The principal tool is a prescription drug card, the LillyAnswers card. It enables participants to receive a 30-day supply of certain Lilly retail drugs for an administrative fee of \$12.

Benefits similar to LillyAnswers are offered through certain Medicare-Approved Drug Discount Cards.

There are three ways eligible Medicare enrollees can get Lilly benefits:

- Apply through LillyAnswers by calling toll-free: 1-877-RX-LILLY (1-877-795-4559) or printing the application from the Web site at [www.lillyanswers.com](http://www.lillyanswers.com)
- Apply through the Arizona CoppeRx Plus Program if you are a resident of Arizona to receive the LillyAnswers benefit.
- Apply through Medicare-Approved Drug Discount Cards that have partnered with Lilly to offer the free products benefit similar to LillyAnswers. To find out if your card offers this Lilly benefit, check with the card sponsor. For additional information about the Medicare cards and Lilly's partnership with the cards, log on to <http://www.cms.hhs.gov/medicarereform/drugcard/mfragreements.asp> or call 1-800-MEDICARE (1-800-633-4227).

#### **6. What are the basic eligibility requirements for LillyAnswers?**

- Medicare-enrolled seniors and Medicare-enrolled people with disabilities
- No other prescription drug coverage, including Medicaid
- Individual annual income below \$18,000 or household income below \$24,000

\*It is possible that the requirements for eligibility may change.

#### **7. If I apply for a Medicare Prescription Drug Discount Card, do I need to take any additional steps to get assistance with my Lilly drugs?**

The Lilly product benefit available through certain Medicare cards has the same eligibility requirements as the stand-alone LillyAnswers program. If you meet those requirements, you need to find out if Lilly has partnered with the Medicare-Approved Drug Discount Card you selected. If the Lilly products program is included in that card for an individual at your income level, no further action is required. To find out if your card offers these Lilly benefits, check with the card sponsor. For additional information

on Medicare and Lilly's partnership with the cards, log on to <http://www.cms.hhs.gov/medicarereform/drugcard/mfragreements.asp> or call 1-800-MEDICARE (1-800-633-4227).

If the program is not included on the Medicare-Approved Prescription Drug Discount Card you select, you will need to apply for LillyAnswers to receive a Lilly benefit.

**8. If I receive the transitional assistance (135 percent of poverty level) from a Medicare-Approved Drug Discount Card that has partnered with the Lilly free products program, when will the Lilly benefit begin?**

You should use your transitional assistance money first. Then you will automatically receive the Lilly drugs on the program for \$12 per drug per month. This will not require any action on your part, other than providing the pharmacist with your Medicare-Approved Drug Discount Card. The \$12 is an administrative fee.

**9. I already have LillyAnswers. Do I really need to sign up for the Medicare Prescription Drug Discount Cards?**

Again, we strongly encourage patients to evaluate signing up for the Medicare-Approved Drug Discount Cards. Many seniors already enrolled in LillyAnswers will fall into the income categories where they will qualify for government payments toward their drug costs. Low-income beneficiaries (up to 135 percent of the federal poverty level) will receive \$600 of transitional assistance for 2004 and \$600 for 2005 to be used through the discount card. In addition, there will be discounts on other drugs the Medicare-Approved Drug Discount sponsors will negotiate from both manufacturers and pharmacies.

**10. If I don't apply for the cards, will my LillyAnswers assistance stay the same?**

Yes. Your LillyAnswers assistance will stay the same.

**11. Which of these Medicare-Approved Discount Drug Cards is the right one for me?**

That is a decision you need to make after you study the information about these Medicare-Approved Drug Discount Cards. And, organizations, such as senior groups, may have additional information to help you determine the questions you should think about when you are analyzing the benefits of the various cards. Most importantly, study the information carefully, and be sure to choose the Medicare-Approved Drug Discount Card that is right for you.

**In addition – and we can’t stress this enough – make sure the card is a Medicare-Approved Drug Discount Card. The program is not an official Medicare-Approved Discount Drug Card unless it bears the Medicare Rx APPROVED logo.**

**13. Why is Lilly partnering with the Medicare-Approved Drug Discount Cards?**

Our offering of the Lilly free products program benefits as described above, coupled with our discount to all government-endorsed discount card programs, reflects our company’s desire to assist seniors in obtaining prescription drugs and our willingness to partner with the government to help ensure success of the newly enacted Medicare law. In January 2004, we became the first pharmaceutical company to publicly offer to integrate a patient assistance program into the cards.