

# Medicare Prescription Drug Plan (Part D)

Effective January 1, 2006, the new Medicare Part D drug benefit program was implemented. Confusion and misinformation have created a number of concerns not just in Florida, but nationwide. As noted in a *NY Times* article on 1/08: "Many factors contributed to the initial chaos. Some people who enrolled in Medicare drug plans did not have any proof of coverage. Pharmacists could not get the information needed to verify eligibility for drug benefits and low-income subsidies. Insurance companies and their pharmacy benefit managers were swamped with calls, so pharmacists often had to wait an hour or more on telephone help lines." In addition, closure of Florida's Meds A/D waiver, which provided prescription drug coverage to certain Medicaid recipients, caused further confusion.

Several options are available to you to obtain information about your personal situation.

First, if you were on the Meds A/D Waiver, contact DCF's Benefits Service Center (toll free) at 1-866-762-2237. The agency provided each person in the Meds A/D Waiver Program with a closure notice in December.

Next, anyone who has encountered problems stemming from the implementation of Medicare's new drug benefit should contact a SHINE counselor by calling the Florida Elder Helpline at 1-800-96-ELDER (1-800-963-5337) and asking to speak to a SHINE counselor. In Florida, the SHINE program under the Department of Elder Affairs has worked closely with the Social Security Administration (SSA) to provide information and clarification related to the Medicare prescription drug benefit to Florida's seniors. SHINE is a volunteer-based program providing free, unbiased counseling on Medicare, Medicaid, prescription assistance, long-term care options, HMOs and more. SHINE is funded through grants from the Centers for Medicare & Medicaid Services. With almost 450 volunteer counselors throughout the state, 75 percent of whom are over the age of 65 themselves, SHINE counselors are sensitive to the needs of elders and well equipped to provide information and assistance. All counseling is confidential and unbiased. Additional information about the SHINE program or the Department Elder Affairs, can be obtained by calling (850) 414-2000 or visiting the web at <http://elderaffairs.state.fl.us>.

Finally, individuals may qualify for "Extra Help" (Low Income Subsidy) through the Social Security Administration (SSA) to pay their Medicare Part D premiums. Information can be obtained by picking up an application (federal Form SSA 1020) at the local SSA office or at a DCF Customer Service Center or by applying on-line at [www.ssa.gov](http://www.ssa.gov).

## Frequently Asked Questions Updated 1/3/2006

### What is Medicare Prescription Drug Coverage?

Medicare prescription drug coverage is insurance provided by private companies that have been approved by Medicare. Starting January 1, 2006, new Medicare prescription drug coverage is available to everyone with Medicare Part A or B. This drug coverage may help lower prescription drug costs and help protect against higher costs in the future.

### Where can I get more information?

- On the web at [www.medicare.gov](http://www.medicare.gov).
- By calling 1-800-MEDICARE (1-800-633-4227) and talking to a Medicare customer service representative. TTY users should call 1-877-486-2048.

### If I only have Medicare, what is the deadline to choose a plan?

- May 15, 2006.
- After May 15, 2006, if you choose to enroll in a plan you will have to pay a penalty.

### Is there someone to help me choose a Medicare prescription drug plan?

- Call 1-800 MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- Call the SHINE coordinator at the Florida Department of Elder Affairs ELDER HELPLINE at 1-800-963-5337.
- Ask your pharmacist for help.

### Dual Eligibles (Eligible for both Medicare and Full Medicaid):

#### What do I need to know if I have full Medicaid coverage from Florida Medicaid and have Medicare?

Your Medicaid prescription drug coverage has changed. Medicare, not Medicaid, will pay for your prescription drugs beginning January 1, 2006. The last day that your state Medicaid program will pay for your prescription drugs is December 31, 2005.

#### If I have full coverage from Florida Medicaid, do I still need to enroll in a plan?

Yes, you still need to be enrolled in a plan. You should compare Medicare prescription drug plans and choose one that is best for you. You can join a drug plan now.

#### What will happen if I don't choose a plan?

Medicare should have already randomly selected a plan for you, but you can still compare plans and choose another plan by December 31, 2005. If you did not join a drug plan by December 31, 2005, Medicare should have enrolled you in a plan to make sure you don't miss a day of coverage. If you decide you want another plan, you can switch to another plan at any time without a penalty; however, you will not be enrolled in the new plan until the month following the month you enroll. Once you enroll in a new plan, you will automatically be removed from the old plan.

#### How often can I change plans?

If you have Medicare and full Medicaid coverage, you may change plans at any time; however, the change will be effective at the beginning of the next month.

#### What if I don't want the plan that Medicare chooses for me?

If you don't want the plan that Medicare chooses, you may switch any time to another plan that you prefer. Just call the new plan to find out how to join. When you join the new plan your coverage under the old plan will end automatically. The change will be effective at the beginning of the next month.

#### What if I don't want to be enrolled in any Medicare prescription drug plan?

You can call 1-800-MEDICARE (1-800-633-4227) if you don't want Medicare prescription drug coverage and you don't want Medicare to enroll you in a plan. **However, if you choose to do this, you could be left with no prescription drug coverage as of January 1, 2006 because after that date Medicaid will not pay for any drugs that would be covered under a Medicare drug plan.**

**What if the prescription I take is not covered by my Medicare drug plan? Will Medicaid still pay for it?**

No, Medicaid will not pay for any drugs for beneficiaries who have both Medicare and Medicaid (dual eligibles) with the exception of, benzodiazepines and barbiturates. In addition, for beneficiaries 21 years of age and younger, Florida Medicaid will cover Tylenol (specific dose) & Aspirin 81mg, decongestant/antihistamine combinations, and Prilosec OTC.

Medicare drug plans don't have to cover every drug that's included in Medicare prescription drug coverage. They only have to cover every type of drug. You should review what drugs are covered by the Medicare drug plans available in your area and try to join one that covers the same prescriptions you take now. If the plan doesn't cover your exact prescriptions, it's required to have a transition period where your current drugs may be covered for a certain length of time while you work with your doctor to find an alternative prescription drug to take that is covered by the plan. If your doctor believes you need to take your current prescription drug and should not switch to a covered prescription drug, you or your doctor can contact your plan and ask for an "exception" which means the plan agrees to pay for your current drug. If the plan refuses to give you an exception, you can appeal the plan's decision. When you join, the Medicare drug plan will send you information about its appeal procedures. Read the information carefully and call your plan if you have any questions.

If you are currently stabilized on certain specific prescription drugs (like drugs for depression, cancer or HIV/AIDS), you don't have to switch to a different prescription drug. Please talk to your doctor or pharmacist to see if your prescription drugs qualify.

**If my drugs were covered by the Medicaid program, and I live in a nursing home or other institution (such as an ICFs-MR), will I need to join a Medicare drug plan?**

Yes. Medicaid will no longer cover prescription drugs covered by Medicare prescription drug coverage as of January 1, 2006. If you didn't join a Medicare prescription drug plan by December 31, 2005, Medicare automatically enrolled you in a Medicare prescription drug plan. Your Medicare drug coverage will start January 1, 2006. However, you can choose and join a different plan at any time. If you live in an institution and if you have Medicare and full coverage from Medicaid, you will not have no co-payment for your covered prescription drugs.

**Coverage Changes effective January 2006**

**What happens if my eligibility category in 2005 was MEDS-AD (MMS)?**

The traditional MEDS-AD program ended December 31, 2005. A new MEDS-AD program replaced the old one using existing eligibility criteria; however, to qualify for the new MEDS-AD coverage effective January 1, 2006, an individual must also meet one of two new criteria.

- The individual must not have Medicare OR,
- The individual must be receiving nursing home, hospice, home and community based, or assistive care services from a Medicaid provider.

If you had Medicare and MEDS-AD, you also had Qualified Medicare Beneficiary (QMB) coverage. This is the benefit that pays your Medicare premium, but it also pays the co-payments and deductibles when Medicare covers a service. Even if you do not meet one of the above criteria that would allow you to continue under the new MEDS-AD program, you will still have coverage of your hospital and doctors under Medicare and QMB. You will also automatically qualify to have Medicare pay for the costs of your Medicare Prescription Drug Plan so that you have no premiums or deductibles to pay, and no gap (also known as the doughnut hole) in coverage.

When you lost your MEDS-AD, you probably received a letter telling you that you were being enrolled in Medically Needy with a share of cost. If you have QMB, you will likely never use your Medically Needy benefit because your medical expenses will be paid by Medicare and the QMB coverage. If you incur a recognized medical expense that Medicare does not cover, it may be used to meet your Medically Needy share of cost and potentially be covered by Medicaid.

**I was in the Silver Saver program. Did my benefits change?**

The Silver Saver Program ended 12/31/05 with the introduction of the Medicare Prescription Drug Program. If you were only eligible for Silver Saver and nothing else, you may or may not qualify for the Extra Help with Medicare Prescription Drug Plan Costs depending on your financial situation. All Silver Saver cases were reviewed to determine who might qualify for a Medicare Savings Program that would automatically qualify them for help with costs of a Medicare Prescription Drug Plan, you can still enroll in a plan and take advantage of the general plan coverage. Even without the extra help, the benefits may exceed the limited coverage you were getting under the Silver Saver Program.

**Medicare Recipients with Limited Medicaid Coverage (Not Dual Eligibles)****What if my Medicaid eligibility category is Medically Needy with a Share of Cost?**

Medical expenses covered by your Medicare Prescription Drug Plan are not counted as expenses when tracking bills for Medically Needy. Premiums, co-pays and deductibles paid by the beneficiary and not reimbursable by a third party are allowable medical expenses that can be used to meet the share of cost. However, individuals who are eligible for the Extra Help will likely not have any expenses other than the co-pays that can be tracked.

**Will my benefits change if I have QMB, SLMB, or QI1 benefits?**

If you have QMB, SLMB, or QI1 benefits, you will automatically be eligible for the Extra Help with the Medicare Prescription Drug Plan costs. You must enroll in a Medicare Prescription Drug Plan to take advantage of this help.

**General Information and Extra Help****Can I continue to use my Medicare-Approved Prescription Drug Discount Card?**

The Medicare-Approved Prescription Drug Discount Card Program officially ends January 1, 2006; however, you may use the discount card and credit until May 15, 2006 or until you enroll in a Medicare Prescription Drug Plan, whichever comes first.

**How can I get help with my Medicare Part D expenses: premiums, deductibles, and copays?**

If you already have full Medicaid, QMB, SLMB, or QI1 benefits, you will automatically qualify for this help. If you are Medically Needy and meet your share of cost, you will be eligible for the help from the month you meet your share of cost through the end of the calendar year. If you do not meet any of these criteria, you may apply for the Extra Help benefit by calling Social Security at 1-800-772-1213. You may apply online at [www.SSA.gov](http://www.SSA.gov) or you can pick up a federal application (Form SSA 1020) at your local SSA office or at a DCF Customer Service Center.

If you are eligible for both Medicare and full Medicaid benefits, the amount of help varies slightly, depending on your income. If your income is at or lower than 100 percent of the federal poverty level, you will not pay a premium or deductible and will have nominal co-pays of up to \$1 for generic drugs or preferred multiple source drugs or \$3 for any other drug. The nominal co-payments will go up slightly each year to reflect increases in inflation. Once the total drug costs on your behalf reaches \$5,100 (for 2006), you will have full prescription drug coverage with no co-pays at all.

If you have both Medicare and full Medicaid and your income is *above* 100 percent of federal poverty level. You will not pay a premium or deductible either, but you will pay co-payments of up to \$2 for each generic drug or multiple source preferred drug and \$5 for any other drug. Again, once your total drug costs reach \$5,100 (for 2006) you will have full prescription drug coverage. Similarly, these co-payments will go up slightly each year to reflect increases in inflation.

**I have both Medicare and full Medicaid coverage. Do I need to apply for Extra Help to pay for Medicare prescription drug coverage?**

No. Since you have both Medicare and full Medicaid coverage, you automatically qualify for Extra Help and you don't need to apply. Starting January 1, 2006, Medicare will cover your prescription drugs instead of Medicaid, so you will need to be in a Medicare drug plan to get your drug coverage. If you didn't join a Medicare prescription drug plan by December 31, 2005, Medicare automatically enrolled you in a plan effective January 1, 2006 so you won't miss a day of coverage. In October, Medicare should have sent you a letter to let you know what plan you'll be in if you didn't join one before December 31.

**What are some of the most significant differences between Medicare's prescription drug coverage rules governing dual eligibles (those with Medicare and full Medicaid) and the rules for the other Medicare beneficiaries?**

- Unlike Medicaid, there is no requirement to dispense an emergency supply of medications pending an appeal in a case where a plan seeks to deny coverage for a specific drug.
- Unlike Medicaid, pharmacists are permitted to deny medications if beneficiaries are unable to pay the co-pays.

**Can Medicare Prescription Drug Plans require that prior authorization be obtained before certain medications are prescribed?**

Yes, Medicare Prescription Drug Plans may require that a doctor wishing to prescribe certain drugs receives permission from the plan before prescribing the medication. This is commonly referred to as prior authorization.

**Can Medicare Prescription Drug Plans use step-therapy and fail first requirements?**

Yes, Medicare Prescription Drug Plans may require that some drugs be tried first before a beneficiary can be prescribed more expensive medication. This is commonly referred to as step-therapy.

**Can Medicare Prescription Drug Plans use other cost control methods to limit access to medications?**

Yes, Medicare Prescription Drug Plans may place limits on the use of off-label medications. State Medicaid programs already use some of these tools, but it is not yet known how extensively Medicare prescription drug plans will use cost controls to limit access to specific drugs. Some state Medicaid programs limit the number of prescriptions that can be filled each month. According to the federal Center for Medicare and Medicaid Services (CMS), Prescription Drug Plans will not place limitations on the number of prescriptions allowed each month.

**Are there medications that the Medicare prescription drug coverage won't pay for?**

Yes, the list of excluded drugs includes:

- Barbiturates
- Benzodiazepines (such as sleeping pills)
- Prescription vitamin and mineral products (except prenatal vitamins and fluoride preparation)
- Non prescription drugs
- Medications used for anorexia, weight loss or weight gain
- Medications used for cosmetic purposes and hair growth

**Will every pharmacy be included in every Prescription Drug Plan?**

No, each Prescription Drug Plan establishes its own network of pharmacies. It is expected that the Prescription Drug Plan will include many pharmacies in its networks. A dual eligible will be able to receive prescription medication *only* from a pharmacy that is participating in that Prescription Drug Plan's network. This is also true for individuals who live in ICFs/MR; these individuals will need to ensure that the long term care pharmacy's facility is a network pharmacy. When dual eligibles receive their auto-assignment letter from CMS, the dual eligible can find out whether their pharmacy is included in their auto-assigned Prescription Drug Plan's network by asking their pharmacist if the pharmacy is participating in their Prescription Drug Plan, by calling 1-800-MEDICARE (**1-800-633-4227**); or by checking the website, [www.medicare.gov](http://www.medicare.gov).

**What if I am away from home and need to fill a prescription?**

Each Prescription Drug Plan must have provisions for how to deal with the occasional or unavoidable need to use an out-of-network pharmacy. These protections cannot be used for routine out-of-network access.