

## **Medicare Part D Prescription Drug Coverage** **Enrollment Period November 15, 2005 - May 15, 2006**

Information provided contains links to web-sites. For persons without internet access, call Medicare's toll-free number 1-800-633-4227; TTY 1-877-486-2048. Michigan Medicare Medicaid Assistance Program (MMAAP) at (800)803-7174 has trained volunteer counselors to help persons learn about Part D coverage & help with enrollment by phone or home visit.

### **Consumers Top 10 Questions about Medicare Part D Prescription Drug Coverage**

1. What is Medicare Part D?
2. Who qualifies for Medicare Part D?
3. Should I enroll in a Medicare Part D plan?
4. What you should consider when selecting a plan?
5. How do I enroll?
6. What help is available if you need financial help?
7. What drugs are included and excluded from Medicare Part D?
8. How does this affect me if I'm on Medicaid?
9. Will all pharmacies charge the same for Medicare Part D prescriptions?
10. Where can I get the most current information about Medicare Part D?

### **Answers:**

#### **1. What is Medicare Part D?**

Medicare Part D is a new prescription drug insurance program which will be available beginning January 1, 2006.

Key features:

- Voluntary, highly subsidized, guaranteed enrollment, prescription drug insurance plan administered by private health insurance companies.
- Medicare recipient will pay a monthly premium and a share of the cost of the prescription drugs.
- Plans will vary in what drugs are covered, how much one pays and which pharmacies can be used.
- All plans must provide at least a standard level of coverage established by Medicare.
- Individuals are not automatically enrolled in a drug plan unless they are dual eligibles (covered by Medicaid & Medicare) or notified by social security that they are eligible for extra help with drug cost. All others, including those in Michigan's EPIC program must enroll in a plan to get drug coverage. The EPIC program ends 12/31/05.

-Available in two ways:

1. A stand-alone Prescription Drug Plan (PDP)
  - Michigan currently has 18 insurance companies offering 40 different stand-alone drug plans. For list go to:  
<http://www.medicare.gov/medicarereform/mapdpdocs/PDPLandscapemi.pdf>
2. Integrated with medical coverage as a Medicare Advantage Prescription Drug plan (MA-PD). Patients can add a PDP policy to traditional Medicare Part A and/or B, or any medical only insurance supplemental policy. MA-PDs replace both supplemental medical and prescription drug coverage.
  - Washtenaw County has 5 insurance companies offering 15 Medicare Advantage programs. For list of plans by county go to:  
<http://www.medicare.gov/medicarereform/mapdpdocs/MALandscapemi.pdf>

- Complete Medicare 2006 Manual sent to Medicare recipients  
<http://www.medicare.gov/Publications/Pubs/pdf/10050.pdf>

## 2. Who qualifies for Medicare Part D?

Anyone eligible for or enrolled in Medicare Part A and/or enrolled in Medicare Part B can participate in Medicare Part D. Unlike other insurance plans, one cannot be denied coverage for health reasons.

-Includes: Individuals aged 65 and older and some younger people with disabilities.

Individuals currently enrolled in Medicaid and Medicare (Dual Eligibles)

Individuals with limited income and resources, but don't have Medicaid, may qualify for extra help to pay for Part D plan costs.

-Individuals currently covered by other "creditable" drug coverage cannot enroll into Part D without leaving the other plan. Creditable coverage is defined as coverage at least as good as a Medicare Part D plan.

Persons should have received information from their plan administrator as to whether their plans qualify as Creditable Coverage by 11/14/05. If they haven't received this notice, they should follow-up directly with that plan. If prescription coverage later changes to non-creditable (does not cover at least as much as the Medicare standard plan), person can enroll in Medicare prescription drug plan within 63 days and avoid higher premium rates.

-Medigap policy with drug coverage recipients cannot enroll into Medicare Part D and maintain their Medigap drug plan simultaneously. For options available go to:  
<http://www.medicare.gov/Publications/Pubs/pdf/11113.pdf>

-Medicare-approved drug discount card not provided by a Medicare Advantage Plan will be automatically cancelled when a Medicare drug plan is joined. Patients can continue to use their discount card until 5/15/06 or until they join a Medicare drug plan. The discount drug card program will be discontinued. For more information:  
<http://www.medicare.gov/Publications/Pubs/pdf/11153.pdf>

### 3. Should I enroll in a Medicare Part D plan?

In general, persons with non-creditable coverage should probably enroll in Part D. Many will likely save money immediately if they choose their plans wisely and be protected against unexpected catastrophic drug expenses should additional medications be required.

Persons with creditable drug coverage should carefully consider the advisability of dropping that coverage for Medicare Part D. Many plan providers do not allow one to switch back to their previous drug plan once it has been cancelled. If patients have creditable drug coverage from an existing plan, they will have received a letter to this effect.

#### **-Persons who spend considerable time living away from their primary residence may want to:**

-Check for common drug plans by zip code of residence in both states and contact the drug plan to confirm that prescriptions can be filled under Part D in both states. Premiums may differ between Medicare regions. To look at plans by zip code, go to:

<http://www.medicare.gov/MPDPF/Public/Include/DataSection/Questions/Questions.asp>

-Enroll in one of the drug plans that provide mail order. For list of drug plans with mail order, go to: <http://www.medicare.gov/medicarereform/mapdpdocs/PDPLandscapemi.pdf>

-Look at plans that have participating pharmacies in both states and call to verify that prescriptions can be filled under Part D in both states

- **UM recommendations for UM retirees, employees, dependents.** Go to:

<http://www.umich.edu/%7Ebenefits/>

Experts are advising persons to take time to carefully evaluate the plans and not rush their decision. Enrollment officially begins November 15, 2005 and continues through May 15, 2006.

### 4. What you should consider when selecting a plan?

Factors to consider in selecting a prescription drug plan.

1. Determine person's eligibility for extra help with Part D plan costs. Call Social Security at 1-800-772-1213 to get an application.
2. List current medications or anticipated medications, including, dose, dosage form, out of pocket costs
3. Compare Plans looking at coverage, cost, convenience, future prescription needs.

#### **Coverage**

- Compare the plan's list of covered drugs to the patient's medication needs.
- Note if patient's medications require prior authorization or have other restrictions
- If plan doesn't cover patient drug, is there an acceptable substitute

### Costs

- Individual Part D plans will vary significantly by insurer, but all health plans must offer a benefit that is financially equivalent to the “Standard Plan.” The standard plan does not cover any prescription costs above \$2250 in total drug costs until \$3600 spent is out-of-pocket.
- Consider all the costs associated with the plan being considered e.g. monthly premium, co-pays or co-insurance, deductible, coverage limits, and if drug is tiered.

### Convenience

- Not all pharmacies are providers for each prescription drug plan
- Some plans offer mail order and others don't

### Future Prescription Needs

- Consider joining a plan even if not on prescriptions currently. If join after 5/15/06 deadline, an irrevocable 1% penalty for each month after 5/15/06 will be applied to the monthly premium. When \$3600 out of pocket drug costs is exceeded, the plan will pay most of the remaining drug costs.

- Things to think about when you compare plans

<http://www.medicare.gov/Publications/Pubs/pdf/11163.pdf>

- List of drug plans available using personal information or zip code

<http://www.medicare.gov/MPDPF/Public/Include/DataSection/Questions/Questions.asp>

### **-Patients who spend considerable time living away from their primary residence may want to:**

- Consider enrolling on one of the national plans

- Check for common drug plans by zip code of residence in both states and call drug plan to confirm that prescriptions can be filled under Part D in both states. Premiums may differ between Medicare regions.

Go to: <http://www.medicare.gov/MPDPF/Public/Include/DataSection/Questions/Questions.asp>

- Enroll in one of the drug plans that provide mail order. For list go to:

<http://www.medicare.gov/medicarerereform/mapdpdocs/PDPLandscapemi.pdf>

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## **5. How do I enroll?**

Several options are available to enroll:

- Contact one of the participating drug insurance in Michigan at

<http://www.medicare.gov/MPDPF/Public/Include/DataSection/Results/ListPlanByState.asp>

-Contact Medicare at 1-(800)633-4227; TTY users 1-(877)486-2048 or Michigan Medicare Medicaid Assistance Program (MMAAP) at (800)803-7174 has trained volunteer counselors to help persons learn about Part D coverage & help with enrollment by phone or home visit.

## 6. What help is available if you need financial help?

-Persons who were notified that by Medicare (Dual eligibles-Medicare & Medicaid recipients) or Social Security that they were eligible for help will be automatically enrolled if they don't choose and enroll in a drug plan. The Dual Eligibles will be auto-enrolled by 12/31/05 for coverage to begin on 1/1/06 and the Social Security designated eligibles will be auto-enrolled by 5/15/05 for coverage to begin on 6/1/06.

-Persons qualifying for assistance will have premiums, deductibles, co-insurance and coverage gaps reduced or eliminated based on level of need.

-To determine if one qualifies for limited income assistance with Part D prescription costs

**Michigan:** Free help available to help Medicare eligible clients understand & apply for this limited-income Medicare-Part D assistance (some counselors are available to come to the patient's home)

**Detroit Area Agency on Aging:** (313)446-4444

**Michigan Medicare Medicaid Assistance Program:** (800)803-7174

Ask for a MMAAP counselor when calling

**Social Security Administration:** (800)772-1213; TTY: 1-800-325-0778

## 7. What drugs are included and excluded from Medicare Part D?

Medicare Part D includes most prescription drugs not currently covered under Medicare Part A and B. Drugs that are currently being covered under Part A & B will continue follow the same rules and will not be covered under Part D.

-Drugs excluded from Part D Coverage

- Drugs to promote fertility
- Drugs for weight loss or gain
- Drugs for cosmetic purposes
- Drugs for relief of simple coughs and colds
- Prescription vitamin and mineral products
- Non-prescription drugs
- Inpatient drugs
- Barbiturates
- Benzodiazepines

\*Exception to the excluded drug list: Michigan Dual Eligibles (qualify for Medicaid & Medicare)-benzodiazepines, barbiturates and currently covered Medicaid OTCs will be covered under Part D. However, the drug plan chosen for or by the patient may require a PA or an appeal to get Part D coverage.

-To search Michigan Prescription plan coverage by drug

## 8. How does this affect patients currently on Medicaid?

- Medicaid will no longer provide drug coverage to persons eligible for Part D starting 1/1/06. Those persons will be auto-enrolled in a Part D plan if they have not chosen a plan on their own by 12/31/05.
- Persons on both Medicare & Medicaid (Dual Eligible) will automatically qualify and be randomly assigned to one of the standalone drug plans that are below the regional benchmark. Dual Eligibles can switch their drug plan at any time to another plan below the benchmark and still avoid the monthly premium.

## 9. Will all pharmacies charge the same for Medicare Part D prescriptions?

- Pharmacies have the option of not being a provider for the Medicare Part D program. Non-participating pharmacies will not be able to process prescriptions through the Part D program
- Participating pharmacies will fall into one of 4 categories:
  - Preferred pharmacy-costs may be less because the pharmacy has agreed to charge your drug plan less
  - Mail order program-some plans offer a mail-order program that allows you to get up to a 90-day supply
  - Network Pharmacy-participates and can fill prescriptions through the Part D program
  - 60-90 day Pharmacy program-some pharmacies are providers for a 60 or 90 day supply of covered drugs

## 10. Where can I get the most current information about Medicare Part D?

+**Medicare phone:** 1-(800)633-4227; TTY users 1-(877)486-2048

**web page:** [www.medicare.gov](http://www.medicare.gov)

-Latest summary of Medicare Part D coverage

<http://www.medicare.gov/medicarerreform/drugbenefit.asp>

-Prescription Plans in Michigan

**For Medicare (stand-alone):** list of monthly premiums, deductibles, tiered copays, type of coverage (generics only vs brand & generic coverage), mail order offered

<http://www.medicare.gov/medicarerreform/mapdpdocs/PDPLandscapemi.pdf>

or customer service phone numbers and hours of service for plans in addition to range of premiums, annual deductible

<http://www.medicare.gov/MPDPF/Public/Include/DataSection/Results/ListPlanByState.asp>

**For Medicare Advantage (managed care plan):**

<http://www.medicare.gov/medicarerreform/mapdpdocs/MALandscapemi.pdf>

+State of Michigan Medicare/Medicaid Part D Prescription Coverage

<http://www.mymmap.org>

+**UM recommendations** for UM retirees, employees, dependents eligible for Medicare Part D

<http://www.umich.edu/%7Ebenefits/>