

...but don't
ask me to
explain the
Medicare
drug
benefit
program...

$$E=mc^2$$

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Medicare Part D: Helping Beneficiaries Make the Right Choices in 2012

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Medicare Part D

Medicare Part D is the outpatient prescription drug benefit, which is only available through Medicare private drug plans or Medicare private health plans.



Enrollment

Medicare's Annual Coordinated Election Period for 2012 runs from October 15th through December 7, 2011.

The ACEP is an opportunity for individuals who are enrolled in Medicare Part A and/or B to join or change a Medicare Prescription Drug plan, or to join or change a Medicare Advantage program if they have Part A and B.



2011 MA Enrollment Changes

- Medicare Advantage Disenrollment Period is changed:
 - Timing: January 1 – February 15, 2011
 - You may *only* use this new enrollment period to dis-enroll from Medicare Advantage and go into Original Medicare
 - In conjunction with using this enrollment option, you get a Special Enrollment Period to join a Prescription Drug Plan



2011 MA...cont'd



- Medicare Advantage plans are forbidden to charge copayments or coinsurance for certain services that would exceed the equivalent amount paid by people in Original Medicare:
 - Chemotherapy
 - Renal dialysis
 - Skilled nursing care
- Maximum out-of-pocket limits imposed on Medicare Advantage plans
- Most Private Fee-for-Service Plans (PFFS) must have a network of providers for the 2011 plan year
 - Exception for very rural or frontier areas



2012 Plan Announcements

- 2012 cost for drugs
 - The donut hole will continue to be discounted 50%
 - Co-insurance for generic drugs will be reduced from 93% to 86%
 - Donut hole will close completely in 2020
 - **Members will get out of the donut hole sooner**
- Eliminates Part D cost-sharing for dual-eligible beneficiaries receiving Medicaid HCBS

2012 Plan Announcements...cont'd

- Requires Part D plan sponsors to offer Medication Therapy Management (MTM)
 - Annual review of meds
 - Action plan
 - Written summary
 - Follow-up interventions

2012 Announcements for MA plans

- Uniform exceptions and appeals process for determination of prescription drug coverage and provides instant access to the process through a website
- Reduces overpayments to plans of approximately 13 percent
- Bonus payment for “high-quality” plans receiving 4 or more stars on a 5 star scale, and special enrollment period

What's next...

- Annual Notice of Change (ANOC)
 - Notice mailed by September, 30 2011
 - How will the plan's formulary change
 - Drugs added
 - Drugs removed
 - Will the premium go up or down
 - Can you still afford the cost
 - Does the plan still qualify for the full-LIS premium subsidy
 - Will the deductible go up or down
 - Can you afford the cost
 - Medication cost sharing (tiered co-payment)
 - If you received an exception to add drugs to your formulary
 - Are you still taking the drug
 - Do you need to re-apply for the exception
 - Transition coverage



What's new with Part D in Ohio

- 2012 Ohio Plans
 - PDPs = 33
 - Cost range from
 - 1 plan will cover *all* generics
 - 2 plans will cover *many* generics
 - 3 plans will cover *some* generics
 - 1 plan will cover *few* generics
 - 1 plan will cover *some* generics *and* *some* name brands
 - 2 plans will cover many generics and some name brands
 - 23 plans have no gap coverage
 - 16 plans have a \$0 deductible
 - 14 plans have a deductible up to \$320
 - 3 plans have a deductible ranging from \$100 - \$250

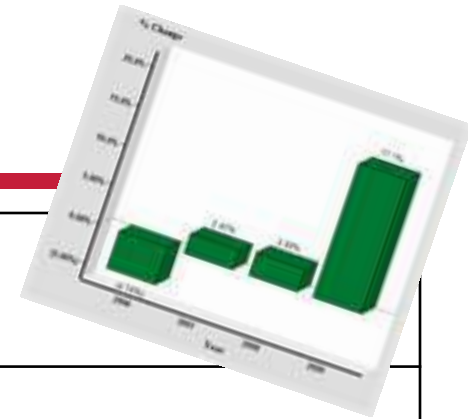


What's new with Part D...cont'd

- 8 plans for LIS beneficiaries to choose from
- Medicare Advantage and Special Needs plans vary by county
- National average cost for prescription drug cost is ~\$30.00 in Ohio the average cost is \$29.41



Standard Benefit



Cost	Beneficiary Pays	Part D Plan Pays	Spending on Part D Plan-Covered Drugs	
Deductible	\$320	\$0	\$320	
Co-insurance or Co-pays	\$652.50	\$1957.50	\$2,930	Cost-Sharing between plan and beneficiary (75% of price negotiated by the plan paid by the plan/25% paid by the beneficiary <i>until</i> the Initial Coverage Limit; Start of Coverage Gap
Coverage Gap	\$3,727.50	\$0		Doughnut Hole
Out-of-pocket Threshold	\$4700	\$1,957.50	\$6,657.50	End of Coverage Gap; Start Catastrophic Coverage

Who should enroll...

- Medicare beneficiaries with no prescription drug coverage and who do not qualify for the LIS
 - Penalty still applies
- Income is below \$1,361 (single) \$1,839(couple)/per month in 2011 (These amounts will change when the 2012 FPL is released)
- Beneficiaries with other prescription coverage should check with their benefit manager before switching





Low Income Subsidy

provides assistance with Medicare prescription drug (Part D) plan costs for people with limited incomes and assets)

What's new with the LIS...

- LIS Co-payments



Institutionalized or HCBS	\$0
Up to or at 100% FPL	\$1.10 - \$3.30
Other LIS	\$2.60 - \$6.50
Partial LIS Deductible/Cost-Sharing	\$65 - 15%

What's new with the LIS...



2012 Plan	2012 Monthly Premium
CVS	\$27.70
Community CCRX Basic	\$26.90
Humana Wal-Mart Preferred RX	\$15.10
WellCare Classic	\$30.40
United American Select	\$29.10
Aetna/CVS Pharmacy	\$26.00
Healthspring – Reg 14	\$29.70
Envision RX Plus Silver	\$26.70

What's new with the LIS...



- 3 Plans in 2011 will not qualify as an LIS plan
 - Blue Medicare Rx Standard (\$36.60)
 - Healthnet Orange Option 1 (\$39.10)
 - AARP Medicare Rx Preferred (\$34.80)
- In order to avoid paying a partial premium, low income beneficiaries will need to enroll in one of the 2012 LIS plans

Help with Medicare Part D



If You Have...	Your Assets	You Pay
<p>Medicaid <u>and</u> income below 100% FPL (below \$908 a month for singles and \$1,226 a month for couples in 2011)</p>	<p>Ohio – less than \$1,500 (\$2,250 Couples)</p>	<ul style="list-style-type: none"> · No monthly premium · No deductible · \$1.10/generic \$3.30/brand-name <p>\$0 after \$6,657.50 in total annual drug costs</p>
<p>Medicaid <u>and</u> income above 100% FPL (above \$908 a month for singles and \$1, 226 a month for couples in 2011)</p>	<p>Ohio – less than \$1,500</p>	<ul style="list-style-type: none"> · No monthly premium · No deductible · \$2.60/generic \$6.50/brand-name <p>\$0 after \$6,657.50 in total annual drug costs</p>

Help with Medicare Part D



If You Have...	Your Assets	You Pay
<p>Income below 135% FPL and <u>do not</u> have Medicaid</p> <p>(below \$1,225 a month for singles and \$1,655 a month for couples in 2011³)</p>	<p>Below \$8,180 for individuals and \$13,020 for couples</p>	<p>No monthly premium</p> <ul style="list-style-type: none"> · No deductible · \$2.60/generic \$6.50/brand-name <p>\$0 after \$6,657.50 in total annual drug costs</p>
<p>Income between 135% and 150% FPL and <u>do not</u> have Medicaid</p> <p>(between \$1,225 and \$1,361 a month for singles, or \$1,655 and \$1,839 a month for couples in 2011)</p>	<p>Below \$12,640 for individuals and \$25,260 for couples</p>	<p>Sliding scale monthly premium; ; \$65 deductible</p> <p>Co-insurance: 15% (up to \$6,657.50)</p> <p>Co-pay: \$2.60 generic/\$6.50 brand name after \$6,57.50 limit</p>

Redeeming and Redeterminations

- Those on Ohio's Medicaid and MSP file or SSA's SSI-only file for July or August are **automatically** "re-deemed" eligible for Extra Help/LIS for 2012
- Those not listed in the July or August files sent to CMS from states or SSA may NOT be deemed eligible for LIS for 2012
 - CMS has sent letters (**grey** colored paper) to these beneficiaries letting them know that they will no longer automatically receive LIS and what they can do.

Redeeming...con'td

- Roughly 458,000 people nationwide received redetermination letters and forms
 - Ohio 18,500



Letters

- Extra Help/LIS status-change letter on **orange** paper– early Oct
 - You are renewed for Extra Help/LIS but at a different level.
- Plan re-assignment letter (on **blue**-colored paper – late Oct
 - If current plan is leaving Medicare, OR
 - If current plan's 2012 premium will exceed the 2011 regional low-income benchmark– *and only goes to those receiving full LIS who are still in the plan to which CMS assigned them.*
 - You are reassigned will get a notice comparing cost and coverage between current and reassigned plan in early December.
 - Exception for plans adopting the optional *de minimus* policy.



Letters...cont'd

- “Choosers” letter on **tan**-colored paper – early-Nov
 - You chose a plan on your own or with assistance .
 - You will receive this letter if your current plan’s 2012 premium will exceed the 2012 regional low-income benchmark.
- Social Security begins mailing notices letting people know whether they still qualify for LIS in 2012 – Nov
- Social Security notifies re benefit rate changes, e.g. cost of living, premium rates – late Nov
- You will also receive a letter if your plan does not sign new contract with Medicare- Nov



National Center for Benefits Outreach and Enrollment

Medicare Plan Finder

- Search and compare coverage options
 - Prescription drug plans
 - Medicare Advantage plans
 - Medigap plans
- Find formularies

www.medicare.gov



https://www.medicare.gov/find-a-plan/staticpages/help/medicare_plan_finder.htm

The screenshot shows the Medicare.gov website in a Windows Internet Explorer browser. The address bar displays the URL: <https://plancompare.medicare.gov/pfdn/PlanFinder/DrugSearch>. The page header features the Medicare.gov logo and the text "The Official U.S. Government Site for Medicare". A search bar is located in the top right, with a "Search" button and a "FAQ" link. Below the header are navigation buttons for "Home", "Manage Your Health", "Medicare Basics", "Resource Locator", and "Help & Support". A secondary row of buttons includes "Learn More About Plans", "Help", and "A-Z Glossary". The main content area is titled "Step 2 of 4: Enter Your Drugs" and includes a paragraph explaining that accurate plan costs require drug information. A button labeled "I don't want to add drugs now" is provided. On the right side, a "My Current Profile" box displays the following information: Zip Code: 44110, Current Coverage: Humana Standard S5884-072 (PDP) (S5884-072-0), Current Subsidy: Full Dual, and Future Subsidy: Full Dual. At the bottom, there is a "Name of Drug:" input field with a "Find My Drug" button, and a "Retrieve My Saved Drug List:" section with a note that the drug list ID is not tied to personal information. The Windows taskbar at the bottom shows the Start button, several open applications, and the system clock at 3:54 PM.

Path to Medicare Plan Finder Training

- <https://www.cms.gov/NationalMedicareTrainingProgram>
- Training Library (menu on left side of window)
- Plan Finder Tool Kit (page 3)
- Medicare Plan Finder Online Demo (bottom of page)
- Overview of the Medicare Plan Finder

Problems, Problems and More Problems

- The pharmacist says you're not enrolled in a plan
- Your medication cost is higher than expected
- The plan does not cover a new med prescribed by your doctor
- You have exceeded your quantity limit
- The plan says that you have to take a drug not prescribed by your doctor before they will pay for one prescribed by your MD...

What's a senior to do???

Reminders

- Compare needed drugs to the drugs on the formulary
 - Prior authorization
 - Quantity limits
 - Step therapy
- Will coverage be needed in the donut hole
 - 2012 – 50% coverage in the donut hole
14% coverage for generic drugs
- Is there name brand and/or generic drug coverage in the gap



Reminders...cont'd

- Compare annual cost (***Nationally only 9% of beneficiaries are enrolled in the lowest cost plan – Ohio 6%***)
 - Premium
 - Deductibles
 - Co-pays
- Don't assume that a deductible will make the plan more expensive
- Don't assume that mail order is always less expensive
- If the beneficiary travels, look for a national plan

Thank you!



Questions



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"...and just when I had begin to understand Medicare, Part D."