

Medicare-Approved Drug Benefits in NC – Updates and Reminders

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We know that many of you are busier than usual with first-of-the-month and first-of-the-year business, but we wanted to bring you a few reminders/updates about Medicare-approved drug benefits.

As you know – there are 52 stand-alone Medicare-approved drug plans available for people in North Carolina. Many of the plans changed their cost-sharing significantly (premiums, deductibles and co-payment or co-insurance amounts) and added more “utilization management tools” (PA, step therapy and quantity limits) for 2008.

The E1 query - Finding out what drug benefit someone has who does not have an updated drug

benefit card: Your computer software vendor should have an online eligibility verification system. This allows you to enter basic information about a Medicare beneficiary to then find their drug plan data (BIN, PCN, etc.). However, pharmacies have different software and methods for conducting this search. Please speak to your management or software vendors to make sure your pharmacists are ready to use this tool. The pharmacist helpline at Medicare is 1-866-835-7595.

“Dual-eligibles”: First, you must be certain the person is a “dual eligible,” which means s/he has both Medicare & Medicaid. Then you should do an E1 query to determine if s/he is already enrolled in a drug plan. If they are not, then you can do a “P.O.S. Facilitated Enrollment” by following the directions contained in this link to bill Anthem/Wellpoint (new BIN – 610575).

http://www.dmas.virginia.gov/downloads/Part_D/pr-medicare_part_D_Wellpoint_point_of_sale_contingency_plan.pdf

Again, pharmacy software is different between stores so please check with your management or IT provider. The pharmacy help desk for dual eligibles is: (800) 662-0210 or (888)-549-5685 (MSA/PFFS Medicare Advantage plans) or (888) -549-5748 (Part D plans).

CHANGING PLANS and NCRx: “Dual eligible” Medicare beneficiaries, as well as anyone with “extra help” or the low-income subsidy, have a continuous “special enrollment period,” meaning they can join or switch drug plans at any time (effective the first of the following month). If someone with the full low-income subsidy is paying more than \$2.25/generic or \$5.60/brand for covered medications, then they need to switch plans or appeal for coverage. Any person who qualifies for his or her state’s SPAP (State Pharmacy Assistance Program) has one “special enrollment period” outside of the annual election period (11/15 – 12/31) to join or switch drug plans. NCRx is NC’s SPAP for Medicare beneficiaries 65 and older, and the premium assistance will increase from \$18 to up to \$29/month for 2008. You can call 1-888-488-6279 or www.ncrx.gov for more information. NC SHIIP (Seniors’ Health Insurance Information Program – 1-800-443-9354) or your local SHIIP coordinators can help Medicare beneficiaries compare plans.

Medicare Advantage Plans: In addition, to the 52 stand-alone drug plans, there are dozens of Medicare Advantage plans, some of which also include drug benefits. Many Medicare beneficiaries are confused by these plans and how the benefits differ from traditional Medicare. Please refer these questions to NC SHIIP (1-800-443-9354) or your local SHIIP coordinators. SHIIP can also take formal complaints about Medicare Advantage plans & relay them to CMS. In North Carolina, there are also some new Special Needs Plans (Medicare Advantage plans that used to be exclusively for institutionalized folks). Now, they are promoting their products for certain disease states; however, we are finding that they may not cover the medications for those disease states any better than the other plans.

Late Penalties: The late penalty for people who have not had “creditable” coverage since Medicare drug benefits began in 2006, though they were eligible, will be \$5.30 per month, if they are enrolled in a plan that starts January 2008. This is based on avg. national premium – 19% because of the 19-month time period – penalty clock began June 2006. Note, this penalty *will not* be reflected on the CMS/Medicare website. The late penalty should be waived for everyone who has qualified for the federal low-income subsidy (150% of the federal poverty level and below and who also meets the assets test).