

Prescription Drug Coverage



Presented by:

Medigap Part D & Prescription Drug Helpline

Board on Aging & Long Term Care

A Wisconsin SHIP



Medicare Part A Prescription Drug Coverage

- Part A generally pays for all drugs during a covered inpatient stay
 - In hospital or skilled nursing facility (SNF)
 - Drugs received as part of treatment
 - Hospice
 - Drugs for symptom control and pain relief only

Medicare Part B Prescription Drug Coverage

- Part B covers limited outpatient drugs
 - Injectable and infusible drugs that are
 - Not usually self-administered, and
 - Administered as part of a physician service
 - Administered through Part B-covered Durable Medicare Equipment (DME)
 - Such as nebulizers and infusion pumps
 - Only when used with DME in your home

Medicare Part B Prescription Drug Coverage

- Part B covers limited outpatient drugs
 - Some oral drugs with special coverage requirements
 - Anti-cancer drugs
 - Anti-emetic drugs
 - Immunosuppressive drugs, under certain circumstances
 - Certain immunizations
 - Flu shot
 - Pneumococcal pneumonia vaccine

Medicare Part B Prescription Drug Coverage

- Generally doesn't cover self-administered drugs in hospital outpatient setting (observation stays)
 - Unless required for hospital services you're receiving
- If enrolled in Part D, drugs may be covered
 - If not admitted to hospital
 - May have to pay and submit for reimbursement

Medicare Prescription Drug Coverage

- Prescription drug coverage under Part A, B, or D depends on
 - Medical necessity
 - Health care setting
 - Medical indication
 - Any special drug coverage requirements

When You Can Join or Switch Plans

- When you first become eligible to get Medicare
 - 7-month Initial Enrollment Period (IEP) for Part D

If You Join	Coverage Begins
During 3 months before your month of eligibility	Date eligible for Medicare
Month of eligibility	First day of the following month
During 3 months after your month of eligibility	First day of the month after month you apply

When You Can Join or Switch Plans

Medicare's Open Enrollment Period
("Open Enrollment")

October 15 – December 7 each year
Changes go into effect on January 1

January 1 – February 14
Medicare Advantage
Disenrollment Period

If you're in a Medicare Advantage Plan, you can leave your plan and switch to Original Medicare. If you switch, you have until February 14 to also join a Medicare drug plan to add drug coverage. Coverage starts the first day of the month after the plan gets the enrollment form.

When You Can Join or Switch Plans

Special Enrollment Periods (SEP)

- You permanently move out of your plan's service area
- You lose other creditable prescription coverage
- You weren't adequately told that your other coverage wasn't creditable or your other coverage was reduced and is no longer creditable
- You enter, live at, or leave a long-term care facility (*Does NOT include Assisted living facilities*)
- You have a continuous SEP if you qualify for Extra Help
- You belong to a State Pharmaceutical Assistance Program (SPAP)
- You join or switch to a plan that has a 5-star rating
- Or in other exceptional circumstances

Reasons to change Drug or Health Plans:

- Premiums may change each year
- Formularies may change each year
- There may be a “new” preferred pharmacy
- Plans may drop or new plans may be added

There may be a better plan available

If you have been in a plan longer than 3 years, it is time to review.

***The ONLY way to know what the best plan is
compare at Medicare.gov***

Creditable Drug Coverage

- Current or past prescription drug coverage
- Creditable if it pays, on average, as much as Medicare's standard drug coverage
- With creditable coverage
 - You may not have to pay a late enrollment penalty
- Plans inform yearly about whether creditable
 - For example, employer group health plans (EGHPs), retiree plans, VA, TRICARE, Indian Health Services, Wisconsin SeniorCare and FEHB

Medicare Part D

Prescription Drug coverage through Private Medicare approved Companies

- Covers prescription drugs
- Must be on Medicare A &/or B
- Can change plans annually (10-15 to 12/7)
- Premiums and benefits vary
- Drugs covered varies
- “Extra Help” for low income persons.
- Penalty for late enrollment (1% per month)
- State of Wisconsin: SeniorCare can sometimes save money in the coverage gap.

Medicare Part D Prescription Coverage

2016

	Beneficiary
	Part D Plan
	Medicare

Over the TROOP	5%	15%	80%	
*Prescription Drug Costs between \$3310 and \$4850	45% for Brand Name 65% for Generics		5% & 35%	Drug Company Rebate of 55% (Brand)
To a maximum of \$3310	25% or \$738		75% or \$2213	
\$360	\$360 Deductible			

What Is Extra Help?

- Program to help people pay for Medicare prescription drug costs
 - Also called the Low-Income Subsidy (LIS)
- If you have lowest income and resources
 - Pay no premiums or deductible, and small or no copayments
- If you have slightly higher income and resources
 - Pay reduced deductible and a little more out-of-pocket
- No coverage gap or late enrollment penalty if you qualify for Extra Help

2015 Extra Help Income and Resource Limits

■ Income

- Below 150% of the Federal poverty level (FPL)
 - \$1,471.25 per month for an individual*, or
 - \$1,991.25 per month for a married couple*
 - Based on family size

■ Resources

- Up to \$17,655 for an individual, or
- Up to \$23,895 for a married couple
 - Includes \$1,500/person for funeral or burial expenses
 - Counts savings and investments
 - Doesn't count home you live in

*Higher amounts for Alaska and Hawaii

Qualifying for Extra Help

People with Medicare and...	Basis for Qualifying	Data Source	Enrollment
Full Medicaid benefits	Automatically qualify	State Medicaid agency	Automatic enrollment <ul style="list-style-type: none"> ▪ Letter on yellow paper ▪ Coverage starts 1st month eligible for Medicare and Medicaid
Medicare Savings Program			Facilitated enrollment <ul style="list-style-type: none"> ▪ Letter on green paper ▪ Coverage starts 2 months after CMS receives notice of your eligibility
SSI benefits		Social Security	
Limited income and resources	Must apply and qualify	Social Security (most) or state Medicaid agency	

Qualifying for Extra Help

- If you qualify for Extra Help, CMS will enroll you in a Medicare drug plan unless you
 - Are already in a Medicare drug or Advantage plan
 - Choose and join a plan on your own
 - Are enrolled in employer/union plan receiving subsidy
 - Call the plan or 1-800-MEDICARE to opt out
- You have a continuous Special Enrollment Period
 - May switch plans at any time
 - New plan is effective 1st day of the following month

Items that count towards the coverage gap

- Your yearly deductible, coinsurance, and copayments
- The rebate you get on brand-name drugs in the coverage gap
- What you pay in the coverage gap

Total out-of-pocket maximum
2016= \$4850



Items that don't count towards the coverage gap

- The drug plan [premium](#)
- Pharmacy dispensing fee
- What you pay for drugs that aren't covered
- Anything that the drug plan pays



Is a State of Wisconsin Prescription Drug Program

To qualify you must be:

- 65 Years Old
- Wisconsin Resident
- Pay \$30 for 12 months of coverage

Benefits from Senior Care are based on income

\$30 Annual Premium
 2015 Benefits

<p>Level 1— \$18,832/\$25,488 No Deductible \$5/Generic; \$15/Brand</p>	<p>Level 2a— \$23,540/\$31,860 \$500 Deductible \$5/Generic; \$15/Brand</p>
<p>Level 2B-- \$28,248/\$38,232 \$850 Deductible \$5/Generic; \$15/Brand</p>	<p>Level 3-- \$28,249+/\$38,233+ “Spend down” \$850 Deductible \$5/Generic; \$15/Brand</p>



SeniorCare also will provide:

- ***Creditable Coverage** (Stops the penalty for Medicare D)
- ***SEP** = Special Enrollment Period that will allow you to join or drop a PDP one time each year (levels 2b and 3)

Things to Consider with SeniorCare

- SeniorCare does have a formulary. Check to be sure your prescriptions are on that formulary.
- SeniorCare does not cover:
 - the shingles shot.
 - prescriptions administered during hospital observation stays.
 - Syringes and needles.

Contacts

- **Medigap Part D & Prescription Drug Helpline:**
1-855-67 PART D (1-855-677-2783)
- Under 60 Contact the **Disability Drug Benefit Helpline:** 1-800-926-4862
- 1-800-MEDICARE

Additional Health Insurance questions?

Call the **Medigap Helpline:** 1-800-242-1060

