

Medicare Drug Discount Cards



VNAA's Clinicians Training Program

Key Concepts



- 70+ New Medicare-Approved *Discount Cards* available for Medicare beneficiaries (except Medicaid) 📁₁ 📄₁₂
- “Cards” will have Medicare-approved seal
- Cards will help save on prescriptions (average 15%-20%)
 - Other discount programs may also save money
 - It is important to compare cards and programs
- Some may be eligible for a \$600 credit in 2004 and 2005

The Medicare-Approved Seal



Legislative Overview

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003

- Public Law 108-173
- Signed into law on December 8, 2003
- Full text on
 - Summary of Law  1
 - Statutory Language  2

A Few Facts

- Drug Discount Cards are temporary and voluntary.
- Cards are effective 6/1/04 – 12/31/05
- Other non-Medicare programs may also offer savings
 - State
 - Pharmacy
 - Retiree drug coverage
 - Other
- Compare programs to find the best choice

Joining a *Discount Card*

- Individuals are eligible if
 - Entitled to or enrolled in Medicare Part A and/or enrolled in Part B
- And..
 - Not receiving Medicaid outpatient prescription drug coverage at the time of enrolling
- There are no income qualifications for a Medicare drug card
- There ARE income qualifications for the annual \$600 credit

Joining a *Discount Card*

- May enroll in only one approved *Card* at a time
- May enroll in only one approved *Card* during year (except under special circumstances)
- May change *Cards* during Open Election Period
 - November 15 through December 31, 2004
 - Effective date for a new card will be January 1, 2005

Special Circumstances for Changing *Cards*

- Must stay with the selected *Card* for the rest of 2004
 - Exceptions
 - Move to another state where the person's current *Card* isn't offered
 - Enter or leave a long-term care facility
 - Leave or join a Medicare managed care plan
 - Private company stops offering that *Discount Card*

Non-Medicare Discount Cards or Programs

May be able to use other non-Medicare discount cards (but only one card at point of purchase)

Costs

- Each *Card* company sets annual enrollment fee
 - Up to \$30
 - Pay entire annual fee no matter when you join
 - New enrollment fee every year
- **No** fee if person qualifies for the \$600 credit
- Companies can't charge any extra fees
- No monthly fee

Medicare Managed Care Plans

If a Medicare managed care plan (MMC) offers a *Discount Card* for plan members :

- Enrollees must join the plan's *Discount Card* program if they want a drug card unless the plan offers its drug card to non-enrollees. If so, plan enrollees can join any Medicare *Discount Card* offered in his/her state.

If a MMC plan does not offer a *Discount Card*:

- Enrollee can choose any *Discount Card* in his/her state


- Beneficiaries can always decide NOT to join a *Discount Card*

Leaving the *Card* Program



- Can leave at any time
- Notify the company to tell them why
 - Write or call
- Can choose a new *Card*
 - November 15 to December 31, 2004
 - Begin using new *Card* starting January 1, 2005
 - Automatic disenrollment from old card if new card is chosen

Things to Think About



When Patients Have Enrollment Questions

- Do they qualify for the \$600 credit?  8
- Can they save more from non-Medicare discount cards or programs?
- Do they have other insurance that already covers prescriptions?



Comparing Cards when a Computer is not available

- 1-800-MEDICARE (1-800-633-4227)
- TTY users should call 1-877-486-2048
- 800#s of State Health Insurance Assistance Programs (SHIPs)  3
- 800#s offered by Medicare-approved drug card companies.  1


Comparing Cards Using a Computer

- New database tool on www.medicare.gov
- Prescription Drug and Other Assistance Programs  4
- Compares drug prices by drug discount program
- Personalizes the search results
- AARP website provides information on State Pharmacy Assistance Programs  5





New Features of PDAP Database

- Search by drug name  4
- Brand name and generic name
- State-specific Medicaid Programs  6
- Information about current Medicare prescription drug coverage
- Information about cost-saving alternatives




Other PDAP Features

- State Health Insurance Assistance Programs  7
- Medicare managed care and Medigap plans
- Pharmaceutical and disease-based assistance programs
- Other programs
 - VA
 - TRICARE For Life (military retirees)
 - Links to other resources





Comparing and Choosing a *Card* Using a Computer

- Use "Personal Information Sheet"  4  10
- Does the patient currently have drug coverage?
- Might he/she qualify for the \$600 credit?  8
- What prescriptions does he/she take?
- Does the patient reside in more than one state?
- Use www.Medicare.gov tool  4


Comparing and Choosing a *Card* Using a Computer

- Compare *Cards* and compare best Medicare *Card* w/other options (e.g., state program, current coverage). Use "Card Comparison Chart"  5
- Call *Card* companies if you need more information  1  12
- Decide if Medicare *Card* is best option.
- If yes, call Medicare *Card* Company for enrollment form*
- Mail or fax completed form to the *Card* company.

Comparing cards and enrollment without a computer

- Use "Personal Information Sheet"  4
- Does the patient currently have drug coverage?
- What prescriptions does he/she take?
- Does the patient reside in more than one state?
- Call 1-800-MEDICARE or Your SHIP  3
- Call the card companies for more specific information  1
- Compare each *Discount Card* using the "Card Comparison Chart"  5

Comparing cards and enrollment without computer access

- To decide if Medicare card is best option, identify if patient has access to better options.
- Assistants at 1-800-MEDICARE or at the SHIPs can help research other options.  3
- Mail or fax completed form to card company.

Medicare-Approved Drug Card Companies

- Companies applied to Medicare to offer *Discount Card*
- Companies must meet Medicare standards
 - Provide quality customer service
 - Be a stable, reputable business
 - Set up a process for handling complaints
 - Have experience offering drug discounts
 - Have adequate pharmacy network
 - Have privacy protections

How the Medicare *Cards* Work

- Must be available to all eligible beneficiaries in the states where it is offered (except MMC plan cards)
- The private companies will decide
 - Which prescription drugs will be discounted
 - Pricing for the drugs they offer
- More than one *Card* may cover the same drug
- Costs for the drug may be different with each *Card*
- Some *Cards* may not offer discounts on all the drugs you take
- Compare each *Card* to see which one best meets your needs

Discount Drug List

- The list of discounted drugs covered by a *Card*
- You may get a lower price **only** on drugs on this list
- A company can change
 - Its discount drug list
 - The discounted prices
- Company will give information about changes
 - You can call the company and ask
 - Changes will be on company's website
 - Each company will have a toll-free number

Drug Terminology

1. **“Covered Drugs”** – Drugs approved by Medicare for discounts; only drugs that can be paid for using the \$600 credit.
2. **“Discounted Drugs”** – Medicare-approved and OTC drugs that are “discounted”
3. **“Non-Covered Drugs”** – These are drugs that are excluded from the list of Medicare approved drugs. The \$600 credit cannot be used to pay for non-covered drugs and “the price need not be discounted.”
4. **“Prescription Drugs”** – Drugs requiring a physician's order
5. **“Non-Prescription Drugs”** – Over-the-Counter (OTC) drugs - may be discounted. \$600 credit CANNOT be used.

More about Drug Coverage and Discounts.....

- Insulin and supplies associated with its injection are included as “covered” drugs; therefore, they can be discounted.
- The \$600 credit cannot be used for non-prescription drugs

New Prescriptions not on Discount Drug List

When a doctor changes a patient's prescription(s) and the new prescription is not on the *Card's* “Discount Drug List”:

- Give doctor copy of *Card Company's* “Discount Drug List”
- Pay full price for new prescriptions not on *Card's* “Discount Drug List”

Qualifying for Additional Help


- 2004 - \$600 credit annually if qualify
- 2005 - up to \$600 credit depending upon when person applies
- All three conditions must be met:
 1. Must be entitled to or enrolled in Part A and/or enrolled in Part B
 2. Must not have other prescription drug coverage
 3. Must meet certain income requirements

Qualifying for Additional Help

- Must meet income requirements
 - At or below 135% official poverty level

Limits for 2004

Single	\$12,569
Married	\$16,862

- New levels will be available in February 2005
- CMS will verify income.
- Website for \$600 Credit info:  [8](#)

More about the \$600 Credit

- Do not have to have high drug costs to qualify
- Not available in the territories
- Different eligibility income levels in Hawaii and Alaska
- Can also receive assistance from State Pharmacy Assistance Programs

Not Eligible for \$600 Credit

- Cannot receive \$600 credit if person has health insurance that provides outpatient drug coverage, such as:
 - Medicaid
 - TRICARE For Life
 - VA
 - Private group health plan
 - Employer group health plan
 - Federal Employee Health Benefit Plan
- May be eligible if coverage is from Medicare managed care plan (M+C or Medicare Advantage) or Medigap policy

The \$600 Credit

- Can use \$600 credit towards most prescription drugs
 - Even those not on the discount drug list
- Discount is provided through the *Card*
 - No filing claims
- Will still have to pay a coinsurance amount
 - 5% or 10% depending on income
- Medicare will pay the annual enrollment fee

Example

- **Example:** A beneficiary with an income of \$11,600 wants to purchase a discounted drug for \$100 with his Medicare-approved drug discount card and his \$600 credit. The normal price for the drug is \$120, but the discount price is \$100. He presents his *Discount Card*; he pays \$10 (10% co-insurance) and \$90 is subtracted from his \$600 credit. He has \$510 credit remaining.

\$600 Credit in 2004

- Must apply for *Card* and \$600 credit at same time
- Will get full \$600 credit if eligible in 2004
- Possible to carry over remaining credit into 2005 (see next slide)

\$600 Credit Remaining Funds

Rollover from 2004 to 2005 will occur if:

- Person keeps the same *Card*
- Person joins another *Card* during Open Enrollment Period
- Person moves to a state that doesn't offer his/her *Card*
- Person enters or leaves a LTC facility
- Person joins or leaves a Medicare Managed Care plan
- The company stops offering his/her *Card*

\$600 Credit in 2005

If you join between	You will get
Jan. 1 - March 31, 2005	\$600
April 1 - June 30, 2005	\$450
July 1 - Sept. 30, 2005	\$300
Oct. 1 - Dec. 31, 2005	\$150

Applying for the \$600 Credit

- Ask selected *Discount Card* company for the enrollment form that includes the application for the \$600 credit. 📄⁸
- Make sure that enrollment form is filled out (including the part about the \$600 credit) and signed.
- Send it to the company.
- The company will send the information to Medicare.
- Medicare will see if the person meets the income requirements for the \$600 credit and notify the company.

Reconsideration

- Can request reconsideration if denied enrollment
 - For *Discount Card*
 - For \$600 credit
- For reconsideration
 - May be asked to provide new information
 - Have the right to provide additional evidence
 - Will receive a final eligibility determination from independent review entity

Complaint Procedures

- *Card* companies must maintain procedures for timely review and resolution of complaints
 - Between beneficiaries and *Card* company
 - Between beneficiaries and other organizations

Complaint Procedures

What does someone do if they have a complaint?

- Call the *Card* company first.
- Verify cost of drug with company.
- Verify prices on www.medicare.gov or by calling 1-800-MEDICARE.
(TTY: 1-877-486-2048)
- Next step: Call 1-800-MEDICARE

Potential Fraudulent Activities

- If telemarketers selling Medicare-approved drug cards call you
 - It's not legal
 - Don't give out bank account or credit card numbers
 - Don't give Medicare numbers
 - Report to Inspector General
800-HHS-TIPS (1-800-447-8477)

Meet *Margaret*

- 68 years old
- Only income is Social Security (\$7,800/year)
- Has limited assets
- Only health insurance is Medicare
- Takes prescription drugs
 - Arthritis
 - Mild hypertension
 - Spends \$150 per month
- Would like help with costs



Margaret Gets More Information

- Calls 1-800-MEDICARE (1-800-633-4227)
- Explains her situation
- Is referred to her state Medicaid agency
- Completes forms
- Qualifies for Medicaid
- Lowers her costs for health care

Meet Roberto

- 72 years old
- Retired businessman
- Has a retirement plan and Social Security (\$30,000/year)
- Only health insurance is Medicare
- Takes prescription drugs
 - Arthritis
 - Hypertension
 - Diabetes
 - High cholesterol
- Spends \$400 per month



Roberto Gets More Information

- Visits www.medicare.gov
- Uses PDAP
- Learns about help for paying for prescription drugs
- Signs up for a Medicare-approved drug discount card
- Pays \$30 annual fee
- Saves \$55 per month with *Discount Card*

Meet Ruth




- Turned 65 last month
- Only income is Social Security (\$12,000 annually)
- Only health insurance is Medicare
- Takes prescription drugs
 - Asthma
 - Osteoporosis
- Spends \$85 per month



Ruth Gets More Information

- Calls her SHIP counselor
- Signs up for a Medicare-approved drug discount card
- Gets \$600 credit to help pay for prescription drugs

Review of Resource Information

- www.medicare.gov
- Call 1-800-MEDICARE (1-800-633-4227)
- VNAA's Medicare Rx Drug Card Center www.vnaa.org
- CMS Publication 11002 , *Guide to Choosing a Medicare-Approved Drug Discount Card*
- SHIP counselor
 - 1-800-MEDICARE or  7
- Other Resources  13

Additional Resources

- VNAA Website's Medicare Rx Drug Card Center provides you with "one stop" for many of the resources that you will need including all web links referenced in this program 🖨
- Log onto www.vnaa.org
- Listserve for trainers to network with other VNA trainers

Spreading the Word

- In addition to staff training...consider:
 - Conducting community education sessions in senior centers, assisted living communities etc.
 - Encourage your agency to include information in patient packets for both admissions and existing patients
 - Provide key messages during wellness/immunization programs
 - Link the VNAA Rx Drug Center to your VNA website

Thank you for your attention...

"Alone we can do so little,
together we can do so much".
(by Helen Keller)
