



# SENIOR HEALTH NEWS



Volume 8, Issue 5

October 2006

A publication of the Pennsylvania Health Law Project  
1-800-274-3258/ 1-866-236-6310 TTY



## **State auto-enrolls Chronic Renal Disease Program and Special Pharmaceutical Benefit Program members into Part D Plans**

Last month, individuals in the Chronic Renal Disease Program and in the Special Pharmaceutical Benefits Program who had not previously joined a Medicare part D plan were auto-enrolled into one of 9 Part D plans that are currently partnering with the State. Consumers were enrolled in plans based on the medications they take (that are covered by these two programs) and the pharmacy they use. In early September, both programs sent letters out to individuals who were to be auto-enrolled. This letter told members the name of the plan they were being enrolled into for Part D coverage. In most cases, this coverage started October 1, 2006. For these individuals, Medicare Part D will be their primary prescription drug coverage and the CRDP or SPBP will be their secondary prescription drug coverage.

### **CRDP and Auto-Enrollment into Part D**

The Chronic Renal Disease Program (CRDP) is run by the Department of Health and covers medications related to an individual's renal disease. For members of this Program who were auto-enrolled into Part D last month, CRDP will pay the Part D plan premium. In addition, the CRDP will help pay the Part D plan costs for drugs that are currently covered by the Program so that members do not have to pay more than \$6/\$9 for these drugs. If the Part D plan charges less for these medications, then the individual would pay the lower amount. If an individual is taking drugs that are not covered by the CRDP, then they will have to pay the costs that their Part D plan charges for those medications.

Individuals who already had Part D coverage (either through a stand-alone prescription drug plan or Medicare Advantage Plan) or had other creditable prescription drug coverage (i.e., a retiree/employer/union sponsored plan) should NOT have received the auto-enrollment letter and should not have been auto-enrolled into a Part D Plan by the CRDP. PHLP heard from a number of consumers (and dialysis social workers) about problems with the auto-enrollment. In an effort to identify and correct any problems, the CRDP is sending a letter to members. A Question & Answer document is also being drafted to provide more information about how these two programs will work together.

*(Continued on page 6)*

## Medicare Part D: Year 2 Changes

Medicare has announced the Part D Plans for 2007. You can find a list of both stand-alone Prescription Drug Plans (PDPs) and Medicare Advantage Plans that will be available in 2007 at [www.medicare.gov](http://www.medicare.gov).

### Number of Plans Available in 2007

**Stand-Alone Prescription Drug Plans (PDPs):** In 2007, there will be 66 stand-alone prescription drug plans (PDPs) available in PA. There will be 20 stand-alone PDPs that will be zero-premium for dual eligibles (who automatically qualify for the full subsidy) and other individuals who have applied and been approved for a full subsidy (100% subsidy). A list of these plans will be available soon at [www.phlp.org](http://www.phlp.org).

**Medicare Advantage Plans:** There will be 223 Medicare Advantage Plans offered next year in PA. Medicare Advantage plans are Medicare managed care plans that may or may not include prescription drug coverage. There will be 14 Special Needs Plans available in 2007 in PA. Special Needs Plans are limited to dual eligibles, residents of nursing homes/long-term care facilities, or persons with chronic diseases.

### Costs of Standard Part D coverage in 2007

Every plan is different in terms of costs. Plans decide their premium amount, deductible amount, and cost-sharing during the various phases of coverage (initial coverage period, donut hole, and catastrophic coverage). Plans cannot charge more than the cost of the standard benefit. The table below compares how much an individual in a standard Medicare Part D plan will pay in 2007 to what the standard benefit costs this year.

	2006	2007
Monthly Premium (national average)	\$32.00	\$27.35
Annual Deductible	\$250	\$265
Initial Coverage Period	<b>25% of drug costs until total drug costs reach \$2250</b> Out of pocket costs total <b>\$500</b> during this coverage period	<b>25% of drug costs until total drug costs reach \$2400</b> Out of pocket costs total <b>\$533.75</b> during this coverage period
Donut Hole	<b>100% of drug costs (until total out of pocket costs reach \$3600 and total drug costs reach \$5100 )</b>  Individuals spend an additional <b>\$2850</b> in out-of-pocket costs during this phase	<b>100% of drug costs (until total out of pocket costs reach \$3850 and total drug costs reach \$5451.25)</b>  Individuals spend an additional <b>\$3051.25</b> in out-of-pocket costs during this phase
Catastrophic Coverage	\$2/\$5 or 5% (greater amount)	\$2.15/\$5.35 or 5% (greater amount)

*(Continued from page 2)*

### **Part D Costs for Individuals with Low-Income Subsidy**

Individuals with the full subsidy will continue to have no monthly premium (as long as they enroll in a standard plan with a premium less than \$28.45/month\*), no deductible, and no donut hole in 2007. The co-pay amounts under the full subsidy are increasing slightly. Full subsidy individuals will pay either \$1 or \$2.15 for generic medications and either \$3.10 or \$5.35 for brand name medications. The co-pay amount will depend on income. Individuals in nursing homes and other institutions will continue to have no co-pays.

The benefits under the partial subsidy for 2007 are changing slightly. The deductible is increasing from \$50 to \$53 in 2007. Also, the out-of-pocket cost limit in 2007 increased from \$3600 to \$3850, so individuals with the partial subsidy will pay 15% for all drugs until out of pocket costs reach \$3850 for 2007 (\$3600 for 2006). After they have spent \$3850 out of pocket, they will pay \$2.15 per generic or preferred prescription and \$5.35 per all other prescriptions.

### **Formulary Requirements**

In 2007, Part D plans will continue to be required to cover “all /substantially all” drugs in the following 6 categories: antipsychotics, antidepressants, anti-cancer, immunosuppressant, anticonvulsants, and HIV/AIDS. In addition, plans will continue to be required to have a transition policy where they cover a one-time fill of a non-formulary drug (or a formulary drug that needs prior authorization or step therapy), so that individuals have time to seek a formulary exception, change medications, or change plans (if they qualify for a Special Election Period).

If you have any questions about these changes, please call 1-800-MEDICARE (1-800-633-4227 or 1-877-486-2048 (TTY)), APPRISE at 1-800-783-7067, or the PA Health Law Project HELPLINE at 1-800-274-3258 (voice) or 1-866-236-6310 (TTY).

## **Part D Open Enrollment Period Starts November 15, 2006—Do you need to change your Part D Plan?**

If you are enrolled in Medicare Part D, you will be able to change your Part D plan from November 15, 2006-December 31, 2006 with coverage in the new plan starting on January 1, 2007. For most people on Medicare Part D, this open enrollment period is the only time during the year to make changes to their Medicare coverage\*. So, it's important to understand how your plan is changing in 2007 and decide whether you want to remain in that plan or change plans. If you are on Medicare and you have not already enrolled in Part D, you will be able to join a Part D plan for coverage in 2007 (some people may have to pay a late penalty when they join Part D).

\*People with both Medicare and Medical Assistance (including those that just get their Part B premium paid for by the State) have an ongoing Special Election Period and they can change their

*(Continued on page 5)*

## Problems for Duals and Others Eligibles to Enroll in Part D for November or December 2006

Medicare has temporarily shut down enrollment into Part D plans through 1-800-MEDICARE and [www.medicare.gov](http://www.medicare.gov) until November 15, 2006 (the start of the Open Enrollment Period). After that date, people will be allowed to enroll through these two methods, but only for 2007. For the remainder of this year, individuals who need to change plans or enroll in Part D must contact the Part D plan directly.

This has caused major problems for dual eligibles (people with Medicare and Medical Assistance) who want to change plans for the remainder of 2006. It has also caused problems for individuals who are new to Medicare and who are trying to enroll in Part D for the first time or who otherwise qualify for a special election period. PHLP has heard from numerous consumers who have contacted Part D plans to enroll or change plans only to be told they cannot enroll until November 15, 2006. This information is not correct!

**If you are a dual eligible (have Medicare and Medical Assistance (MA)—even if the only benefit you get through MA is payment of your Part B premium):** You qualify for an ongoing Special Election Period. This allows you to change plans at any time during the year with coverage in your new plan starting the first of the month after you make the change. If you are a dual eligible who is trying to change plans, you should tell the plan that you have both Medicare and Medical Assistance (Medicaid) and you qualify for a Special Election Period. Also, tell them you want to join their plan for the rest of 2006. Coverage should start the first of the month after you enroll in the new plan.

**If you are new to Medicare:** Your initial enrollment period for Part D is the 3 months before you become eligible for Medicare, the month you become eligible for Medicare, and 3 months after you become eligible for Medicare. So, if you will be turning 65 on November 19, 2006, you are eligible for Medicare on November 1, 2006. This means that you can sign up for Part D starting in August 2006 and ending at the end of February 2007. If you are enrolling into Part D for the remainder of 2006, you should tell the plan that you are new to Medicare and you are in your initial enrollment period. Make sure they know you are joining for coverage in 2006. Your coverage should start the first of the month after you enroll or the first date you are eligible for Medicare (whatever is sooner).

**Other Special Election Periods:** If you are not a dual eligible for new to Medicare, you may have a Special Election Period if you have recently lost private prescription drug coverage that was at least as good as the Medicare Part D coverage, either because the plan went out of business or because you were terminated from the plan involuntarily. This means that you can enroll in a plan immediately and not have a penalty. You may also have a Special Election Period if you move out of your plan's coverage area.

If you have problems enrolling in Part D or changing plans for the remainder of 2006, please call the PA Health Law Project HELPLINE at 1-800-274-3258 (voice) or 1-866-236-6310 (TTY).

*(Continued from page 3)*

plan at any time during the year.

Part D plans are required to send Annual Notice of Change (ANOC) documents to members. Consumers should receive this information by October 31, 2006. The ANOC explains how the plan's benefits and costs will change in 2007. It is very important that you read this information so you can decide whether that plan will continue to meet your needs or whether you need to change plans for 2007.

### **Factors to Consider When Deciding Whether to Change Plans**

- Will the Plan cover my drugs in 2007?
- Will the plan have any special rules for my drugs (i.e., prior authorization, quantity limits, or step therapy)?
- Is my pharmacy still in the plan's network?
- How have the costs of my plan changed? Can I still afford this plan?
- Am I satisfied with the plan's customer service? When I have concerns or problems, am I satisfied with the way the plan handles them?

Other questions to ask if you are deciding whether to stay in a Medicare Advantage plan or if you are deciding whether to switch to this type of plan include:

- Are my doctors/hospital/psychiatrist/other medical providers in the network in 2007?
- Are there any new rules for how I access care in 2007 (i.e., will I need a referral from a primary care provider to see a specialist?)
- Has coverage of medical benefits changed in any way (i.e., has the plan dropped coverage for hearing exams/hearing aids)? If so, will my needs still be met?

### **What to Do If You Decide To Change Plans**

Remember, you have until December 31, 2007 to make any changes for the upcoming year. But, if you enroll earlier, the plan and Medicare will have more time to process your application to ensure that your new coverage will be in place for January 1, 2007.

You can change plans the following ways:

- Contact the plan you want to join directly
- Contact 1-800-MEDICARE (after November 15, 2006); (1-800-633-4227 or 1-877-486-2048 (TTY))
- Enroll in new plan online at [www.medicare.gov](http://www.medicare.gov) (after November 15, 2006)

If you have questions about plan offerings in 2007 or if you need help finding plans that may meet your needs, you can contact 1-800-MEDICARE (1-800-633-4227 or 1-877-486-2048, TTY) or the APPRISE Program at 1-800-783-7067.

If you are a dual eligible and you have questions about plan changes in 2007, please contact the PA Health Law Project HELPLINE at 1-800-274-3258 (voice) or 1-866-236-6310 (TTY).

*(Continued from page 1)*

## **SPBP and Auto-Enrollment into Part D**

The Special Pharmaceutical Benefits Program (SPBP) is run by the Department of Public Welfare and covers medications for HIV/AIDS and schizophrenia. The SPBP will pay the Part D plan premium for members who were auto-enrolled into plans. The SPBP will also help pay the cost of Part D for drugs that are covered by the SPBP. This means that an individual would not pay more under Part D than they currently pay under SPBP for medications that are covered by the program. If an individual is taking medications that are not covered by the SPBP, they will be subject to their Part D plan costs for those medications.

SPBP members who already had Part D coverage or who have other creditable prescription drug coverage should not have been auto-enrolled into Part D by SPBP.

If you have experienced any problems as a result of this auto-enrollment, please call the PA Health Law Project HELPLINE at 1-800-274-3258 (voice) or 1-866-236-6310 (TTY).



## **What Does Your Special Needs Plan do for YOU?**

There are 14 Medicare Advantage Special Needs Plans approved to operate in parts of Pennsylvania in 2007. Are special needs plans meeting your needs? The six most familiar special needs plans to low-income persons for 2006 were: Keystone 65 Complete, Amerihealth 65 Complete, Senior Partners, Gateway Medicare Advantage, UPMC for Life, and Unison Medicare Advantage. These plans have approval from Medicare to limit enrollments only to dual eligible individuals. They market themselves as specially designed to meet the needs of dual eligibles individuals. And, there is much promise and possibility for care coordination and integration.

In the past 10 months, however, PHLP has heard from consumers that their Special Needs plans: 1) have providers that refuse to take Medicaid, 2) have providers that balance bill people on Medicaid, 3) tell enrollees that services are NOT COVERED because Medicare doesn't cover them but fail to mention that Medicaid would cover them, 4) deny medications that Medicare Part D doesn't cover and don't tell the member that Medicaid would cover them and more. The federal agency to oversee these plans says they have no authority to make these plans do these things, that plans can be encouraged but not required. Many believe, however, that care coordination is the essence of what a special needs plan is intended to do.

If you have any experienced any problems getting coordinated or integrated care from Special Needs plans, please call the PA Health Law Project HELPLINE at 1-800-274-3258 (voice) or 1-866-236-6310 (TTY).

## DPW to Pay for Mobile Mental Health Treatment (MMHT)

In September 2005, a group of interested stakeholders convened with DPW's Office of Mental Health and Substance Abuse Services (OMHSAS), to develop guidelines for Mobile Mental Health Treatment (MMHT). In December 2005, DPW submitted State Plan Amendments to the Centers for Medicare and Medicaid Services (CMS) for approval to include MMHT as a MA compensable rehabilitative service. With the approval of CMS, MMHT will be available and MA payable for eligible adults 21 years and older in both the Fee-For-Service and HealthChoices Behavioral Health Program delivery system. This is especially good news for seniors on MA, as the elderly are at high risk for depression, other mental health disorders, and suicide.

The Older Adult Committee of the OMHSAS Advisory Committee identified the need for this service. MMHT will provide an array of services for adults and older adults who have barriers to, or have been unsuccessful with, traditional outpatient mental health treatment. The array of services provided include: evaluations; individual, family or group therapy; and medication visits. These services are provided to consumers in their home or in a community setting of their choice such as a senior center or church.

Adults and older adults must meet certain criteria to be eligible to receive Mobile Mental Health Treatment. To receive these services, individuals must:

1. be eligible for MA
2. be age 21 or older
3. have a documented medical or psychiatric condition that precludes them from participating in mental health outpatient clinic services **- or -**  
have one or more significant and documented psychosocial stressors that precludes them from participating in mental health outpatient clinic services **AND**
4. agree to participate in MMHT as prescribed

OMHSAS and OMAP issued a draft bulletin for public comment on the Mobile Mental Health Treatment MA Payment Requirements. Those comments are currently under review in preparation for the implementation of MMHT services. These services have not yet been authorized by CMS but OMHSAS reports that it looks positive and they are hopeful for CMS approval in the next month. We will provide additional information as it becomes available.

## State increases the Personal Care Home Supplement

In early October, the Rendell Administration announced a \$45 per month increase in the amount an individual with a disability (or otherwise eligible for SSI) gets to help pay for their care and rent in a personal care home. Although the amount increases the income of the personal care home resident, most residents who receive the Personal Care Home SSI supplement, as it is often called, will not see more than the minimum monthly personal needs allowance of \$60. There is no provision in the \$45 increase that requires any increase in the personal needs allowance, which has remained \$60 since 1991, despite inflation and the increased out-of-pocket healthcare expenses that have accompanied Medicare Part D. If you know of PCH residents struggling to pay for their Medicare Part D copayments, contact us at 800-274-3258.

## PHLP Staff Available for Free Medicare Rx Trainings

PHLP staff are available in Southwestern and Southeastern PA to conduct trainings on Part D to help social service agencies and their clients navigate the Part D system. Trainings focus on the rights that dual eligibles have under Part D and the appeals and grievance processes that are available to all Part D enrollees. Update Trainings, specifically to explain all the ways Part D has changed for 2007 are also available. To learn how to help get your clients' needs met through Medicare Part D, contact the PHLP HELPLINE to schedule a training (1-800-274-3258 voice or 1-866-236-6310 TTY). Please let us know if you require any special accommodations for persons with hearing and/or vision needs.

**Help us conserve resources! Please switch to email receipt of the Senior Health News by contacting us at 1-800-274-3258/ 1-866-236-6310 TTY or by emailing Jennifer Nix at [jnix@phlp.org](mailto:jnix@phlp.org)!**



Pennsylvania Health Law Project  
Lafayette Building, Suite 900  
437 Chestnut St.  
Philadelphia, PA 19106