Frequently Asked Questions on Dual Eligibles:
Understanding what happens when a person with I/DD who receives Medicaid becomes eligible for Medicare

Dual Eligibles and Prescription Medication

1. **Q: What types of prescription drug coverage are available for dual eligibles?**
   A:

   - **Medicare Part D - Stand-Alone Prescription Drug Plan (PDP)** - offered by insurance companies under contract with Medicare. Only covers prescription drugs. Each PDP has its own formulary (list of covered drugs). There may be small co-pays for each drug. (See below for more information.) The list of Medicare stand-alone prescription drug plans may change each year. Contact the State Health Insurance Assistance Program (SHIP) at 800-792-8820 for a current list.
   - **Dual Eligible Special Needs Plan (D-SNP)** – See the separate section on D-SNPs for information on these Medicare managed care plans. Prescription drugs are covered in accordance with the specific D-SNP formulary (list of covered drugs). There are no medication co-pays for drugs that are on the D-SNP formulary.
   - **Medicare Advantage Health Plans with prescription drug coverage (MA-PDs)** - offered by insurance companies under contract with Medicare and structured as HMOs or PPOs with network of providers. Benefits include health services and prescription drugs. Each MA-PD has its own formulary (list of covered drugs). There may be small co-pays for each drug depending on consumer's level of extra help. See the separate section on D-SNPs for further information that compares Medicare Advantage plans and D-SNPs.
   - **Creditable Coverage Drug plan, through employer, retiree or union health insurance plan.** The private insurance drug coverage must be "at least as good as or better than" a basic Medicare Part D plan. If receiving prescription drugs through private health insurance, the dual eligible needs to "opt out" of the Part D drug plan by calling 1-800-Medicare. The consumer is still eligible for Medicaid to assist with the private plan's drug copays.

2. **Q: How does Medicaid coordinate with Medicare Part D prescription drug coverage?**
   A:

   - **When a person who has Medicaid starts to receive Medicare also (becoming a dual eligible), enrollment into Part D (the drug benefit) is mandatory.** Dual eligibles will automatically be randomly enrolled into a benchmark, Stand-Alone Prescription Drug Plan (PDP).
   - A "benchmark" Part D plan is one that has "basic" benefits (not enhanced), and has a premium amount below the "benchmark" level set by Medicare each year. **Dual eligibles who enroll in benchmark plans pay $0 monthly premium.**

• Dual eligibles may choose to enroll in a non-benchmark Part D plan. However, they would pay a monthly premium fee for a non-benchmark drug plan. There is a subsidized premium for a dual eligible enrolling in a non-benchmark drug plan.

• Dual eligibles may choose non-benchmark drug plans to access a plan with better formularies for their specific prescription drug needs.

• Dual eligibles don't have any Part D deductible costs.

• Dual eligibles may be required to pay a small copay at the pharmacy for each prescription drug. However, if the dual eligible with I/DD is on the DDD Community Care Waiver (CCW), Managed Long-Term Services and Supports (MLTSS) or enrolled in a Dual Eligible Special Needs Plan (D-SNP), then there is no prescription drug copay.

• **There is an exception to the requirement for dual eligibles to access prescription drugs from Medicare Part D:** If individuals have creditable drug coverage from a private health insurance plan, they need to "opt-out" of Medicare Part D. "Creditable" drug coverage is other health insurance that is as good as or better than Medicare Part D. (Note: Having Medicaid is **not** viewed as having "creditable" drug coverage.)

• Dual eligibles can switch Part D plans at any time without a penalty (no "lock-in" for dual eligibles) by calling 1-800-Medicare. The effective date for switching to another Part D plan is the first day of the next month.

• The Medicaid MCO covers the full cost for some Part D excluded drugs (ex: prescription vitamins).

3. **Q: What to do if a prescription drug is not covered by the individual's Medicare Part D drug plan?**
   A: These are the possible options:

   • Ask the drug plan if there is a similar drug that is on the formulary. If yes, ask the prescriber if the individual can switch to the other drug.

   • If the doctor does not want the individual to switch drugs, **ask the doctor to request an exception, to have the drug covered by the Part D plan. If the drug plan denies the request for an exception, that decision can be appealed.**

   • Contact the SHIP hotline, **1-800-792-8820,** or Medicare at 1-800-Medicare, to find out if there is another Part D plan that will cover the drug. The dual eligible can change to another Part D plan that will cover the drug. Dual eligibles can switch drug plans at any time. They do not have to wait for the annual open enrollment period. The switch to the new Part D plan will be effective on the first day of the next month.

4. **Q: What are drug coverage restrictions?**
   A. Drug coverage restrictions vary by plan.   Plans may have these rules for covering certain drugs.
   - <u>**Quantity Limits**</u> - Limits the number of pills the individual can get at a time.
   - <u>**Prior Authorization**</u> - Requires approval from the plan before the individual can get the drug.
   - <u>**Step Therapy**</u> - Requires the individual to try a less expensive drug first, before using a more expensive drug.
   - <u>**Quantity Limits and Step Therapy restrictions can be appealed.**</u> The prescribing doctor will need to contact the Part D plan to request an exception based on the individual's medical needs.

For additional information on Medicaid, Medicare and other health care information pertaining to individuals with intellectual and developmental disabilities (I/DD), see this website, which can also be accessed from The Arc of New Jersey's website: www.mainstreamingmedicalcare.org.   You may also contact Beverly Roberts, Director, Mainstreaming Medical Care Program at The Arc of New Jersey at broberts@arcnj.org