

Bulletin

January 26, 2006

Minnesota Department of Human Services □ 444 Lafayette Rd. □ St. Paul, MN 55155

OF INTEREST TO

- County Directors
- Social Services Supervisors and Staff
- County Financial Workers
- Community Organizations
- Healthcare Providers
- Pharmacists
- MAXIS and MMIS Users

ACTION

Please implement policy changes as discussed in bulletin.

DUE DATE

Program HH pilot program effective January 1, 2006.

Program HH Institutes Pilot Program to Assist Medicare Part D Eligible Enrollees

TOPIC

Beginning Jan. 1, 2006, Program HH will implement a pilot program to provide additional assistance to its Medicare Part D clients who have incomes between 0 and 300 percent of Federal Poverty Guidelines.

PURPOSE

Describe the Medicare Part D assistance program to be administered by Program HH to county social and financial workers, healthcare professionals, case managers and community organizations.

CONTACT

The Program HH Medicare Prescription Drug Coverage Liaison, at 651-431-2414 or toll-free in Minnesota 1-800-657-3671.

SIGNED

LOREN COLMAN
Assistant Commissioner
Continuing Care

Background

Beginning November 15, 2005, Medicare beneficiaries have the opportunity to enroll in the Medicare Part D prescription drug coverage plan. Federal law requires that Medicare-eligible Program HH clients enroll in the Medicare Part D program as their prescription drug plan. These clients could experience large increases in their out-of-pocket expenses after transitioning to Medicare Part D. According to the Medicare Part D legislation, any financial assistance provided by Program HH to its clients to help them meet their Medicare Part D requirements will not count toward their true-out-of-pocket expenses (TrOOP). This complication translates into clients reaching their TrOOP maximums at a much slower rate than they would otherwise. On the other hand, providing client assistance may facilitate them remaining on their HIV medications. This, in turn, will keep them healthier and is considered to be responsible public health practice.

Program HH is implementing a pilot project designed to provide Medicare Part D financial assistance while still allowing the client to reach their TrOOP in a timely fashion, if necessary. The program will apply to all Medicare-eligible Program HH clients whose income falls between 0-300% of the Federal Poverty Level (FPL). The clients in question are currently utilizing the HIV drug reimbursement program and/or the insurance continuation program of Program HH to access needed HIV medications and care. It is anticipated that this pilot program will continue for the long term given no unforeseen changes in Medicare Part D policy and/or Program HH funding.

Medicare Part D Pilot Program Details

The Program HH Medicare Part D pilot program is a tiered assistance program for Medicare-eligible clients. Individuals must be enrolled in Program HH and have an income up to 300% FPL. Client income is used as a guideline for selecting the Program HH assistance level. Assistance tiers are categorized as follows:

Consumers up to 135% FPL

- These clients are eligible to receive full or partial federal subsidies to meet their Medicare Part D out-of-pocket costs.
- **Program HH will pay the drug co-payments of \$1 to \$5** for medications that are on the Program HH formulary.

Consumers between 100 – 135% FPL

- Clients may be subject to a spenddown to qualify for Medicare Part D federal subsidies.
- **Program HH will conduct educational sessions for HIV service providers** to help access other Minnesota healthcare programs for assistance with spend down issues.

Consumers between 135 – 150% FPL

- **Program HH will pay the one-time deductible of \$50** for these clients.
- **Program HH will pay the Medicare Part D 15% out-of pocket coinsurance** costs not covered by the partial federal subsidy the client will receive. This assistance will continue until the client reaches the catastrophic benefit level.

Consumers between 150 – 300% FPL

- Clients are currently accessing Program HH to pay their Medicare supplement policy premiums. Federal law mandates that this assistance be halted.
- **To continue coverage for individuals below the age of 65, Program HH will transition them to a standard health plan that includes prescription drug coverage (Medicare Part D creditable coverage), and pay the premiums.** These clients will not need to enroll into a Medicare Part D plan.
- **Clients ages 65 and older will receive a cost effective health plan alternative in keeping with the Medicare Part D rules.** Details of this component will be communicated after the Medicare Part D rules are finalized.

Summarized Program Table

<u>FPL Status</u>	<u>Program HH Assistance</u>
0 – 135%	Drug Co-pays of \$1 to 5 for medications on Program HH formulary
101 – 135%	Provider education to assist with spenddowns
135 – 150%	One-time Deductible of \$50 and the 15% out-of-pocket costs until client reaches their catastrophic benefit.
150 – 300%	Transition from Medicare supplement policies to standard healthcare insurance.

Pilot Program Access

Once enrolled as a Program HH client, no further action is needed to qualify for the co-pay benefit. Program HH clients within 0 – 135% FPL will be automatically enrolled into this component of the program. The co-payments for medications included on the Program HH formulary will be billed directly to DHS at the point of sale through the MMIS system.

Directions will be forwarded to consumers as to how to arrange for co-pay relief at a later date.

To opt into the other components of the Medicare Part D assistance program, clients between 135 – 300% FPL (or their representatives) should contact the Program HH offices before Jan. 1, 2006 to avoid any gaps in coverage. For further information, contact the Program HH Medicare Prescription Drug Coverage Liaison at 651-431-2414 or 1-800-657-3761.

Special Needs

This information is available in other forms to people with disabilities by contacting us at 651-431-2414 (voice), toll free at 1-800-657-3761 or through the Minnesota Relay Service at 1-800-627-3529 (TDD), 7-1-1 or 1-877-627-3848 (speech to speech relay service).