



## **MEDICAL STUDENT INSIDER**

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### **MEDICARE PART D UPDATE**

The new Medicare prescription drug benefit, also referred to as Medicare Part D, began offering coverage on January 1, 2006. Although there are millions of Medicare beneficiaries who now have prescription drug coverage, there are still more than 15 million eligible people who are without benefits. Under current law, the enrollment period for these people to sign up and receive coverage in 2006 ends on May 15, 2006. By learning more about this program and the resources available, we as medical students can offer assistance to both physicians and patients who are interested in enrolling in a plan.

To learn more about Medicare Part D, please take a look at the following general resources:

- Centers for Medicare & Medicaid Services (CMS) Web site on Medicare: [www.medicare.org](http://www.medicare.org)
- CMS Web site overview of [Prescription Drug Coverage](#)
- AMA Web site on Medicare Part D: [www.ama-assn.org/go/MedicareRx](http://www.ama-assn.org/go/MedicareRx)
- Medical Student Insider on Medicare Part D from [November 17, 2005, MSI](#)

### **For those already enrolled**

Medicare beneficiaries who signed up for drug benefits prior to March 31, 2006, are currently receiving coverage through one of the Medicare Part D plans. For patients who have had difficulties with enrollment or with their prescription coverage during this implementation and transition period, there is general information available on the CMS website.

The “transition period” which, expired on March 31, 2006, applied to beneficiaries who were enrolled in the first few months of the program. It was intended to offer the flexibility and time necessary for physicians and patients to manage their prescription regimen, arrange for alternative prescription drugs, and resolve prescription-related issues under the new coverage. For beneficiaries enrolling after March 31, 2006, the transition period lasts 30 days from the initiation of coverage during which they are entitled to at least a 30-day transitional supply of non-formulary drugs.

The AMA has been active in minimizing the impact of some of the issues during this transition period. In an effort to simplify administration of the new Medicare prescription drug program, the AMA, America’s Health Insurance Plans (AHIP), and a number of physician, pharmacist and beneficiary organizations have collaborated to develop standardized forms to aid physicians in communication with insurance companies and pharmacists to address prior authorizations and prescription coverage problems.



Resources to assist current Medicare Part D beneficiaries:

- CMS Web site regarding [common Medicare Part D problems](#)

Resources to assist physicians of current Medicare Part D beneficiaries:

- [CMS Transitional Drug Coverage Resource Fact Sheet](#)
- AMA Web site for the [prior authorization and coverage for non-formulary drugs form](#)
- AMA Web site on the [“Pharmacist-to-Physician Fax Form”](#)

### **For those not already enrolled**

Under current law, the open enrollment period for 2006 coverage for patients who are currently eligible to receive benefits but have not yet signed up through Medicare Part D ends on May 15, 2006. If an eligible beneficiary does not join by May 15, 2006, and then later changes his or her mind, the next enrollment period starts November 15, 2006, for coverage in 2007. There is a strong incentive for those without any or adequate (“creditable”) coverage to sign up before May 15th, as there may be a penalty charged to the monthly premium of at least 1% per month for every month past initial eligibility. As with other insurance, this penalty may be charged for as long as the recipient is enrolled in a Medicare prescription drug plan. For those who do join before the May 15th deadline, coverage will become effective the first day of the month following enrollment and will generally last for the calendar year.

Resources to assist with Medicare Part D enrollment:

- [CMS Medicare](#) Web site: [www.medicare.gov](http://www.medicare.gov)
- CMS tollfree phone numbers: 1-800-MEDICARE, or 1-877-486-2048 for TTY users
- [State Health Insurance Assistance Programs](#) (SHIP)
- [Offices on Aging](#)

Resources for physicians to assist with Medicare Part D enrollment:

- [CMS informational materials and tools](#) for office use and patient education

### **For those who need financial assistance**

Patients with limited income and resources may qualify for extra help in paying the costs of their prescription drug coverage. Information on the following programs are all available in the online [“Medicare & You 2006”](#) informational guide.

- [Social Security Administration](#) (SSA) can assist patients who qualify based on their income and resources with the costs of prescription drug coverage. Medicare sent letters last year to those who qualified for extra help. Patients who did not receive an application, but think they may qualify, should contact their local SSA or their State Medical Assistance office. Eligible patients will have to choose and join a Medicare Prescription Drug Plan by May 15, 2006, or Medicare will enroll them in a plan effective June 1, 2006.
- [State Medicare Savings Programs](#) may be available through which Medicaid funds are utilized to help pay Medicare Part D premiums, deductibles, and coinsurance.



- Supplemental Security Income (SSI) may be able to be applied to Medicare Part D costs. Patients can contact their local Social Security office or check online to find out if they are eligible for SSI or other benefits.
- Programs of All-inclusive Care for the Elderly (PACE) Program, offered on a state-by-state basis through the Medicaid program, combines medical, social, and long-term care services. Some PACE programs may also provide Medicare prescription drug coverage.
- Medicare-approved Drug Discount Cards were introduced and distributed to Medicare beneficiaries to help defray prescription drug costs prior to the start of Medicare Part D. These temporary discount cards can still be used by patients until May 15, 2006, or until they join a drug plan, whichever comes first. And, if a patient qualified for this credit, they may also qualify for help with paying drug plan costs.

Remember, patients automatically qualify for extra help and do not need to apply for financial assistance if they are a dual-eligible (qualify for both Medicaid and Medicare benefits), receive SSI, or belong to a Medicare Savings Program. These patients, as well as those who have applied and qualified for other low-income assistance, will be automatically enrolled if they have not joined a plan by April 15, 2006. There may be additional state or local programs that are available for assistance which can be identified through the State Medical Assistance office.

Resources for financial assistance for beneficiaries:

- CMS Medicare online guide: [Medicare & You 2006](#)
- [Social Security Administration](#) (SSA)
- [State Medicare Savings Programs](#)
- [Supplemental Security Income](#) (SSI)
- [State Medical Assistance office](#)
- [Programs of All-inclusive Care for the Elderly Program](#)