

# Get Educated, Get Enrolled Mental Health America's Medicare Rx Benefit Campaign

# March 23, 2007

According to the Department of Health and Human Services, over 1.4 million Americans have enrolled in a Medicare Prescription Drug Plan since June of 2006. Now more than ever, the voice of consumer advocates is essential as media and public attention is directed to other healthcare issues. Clear information, knowledge of rights, and connection with supports are needed to ensure that administrative barriers do not obstruct individuals from receiving needed medications.

# **NEW DEVELOPMENTS AND UPDATES**

# **Real Lives: Consumer Stories Are Essential to Continued Protection of Mental Health Medications**

With your continued help, Mental Health America will report real-world experiences to CMS and Congress to ensure that consumer protections are maintained. Since the beginning of Part D, CMS has required plan formularies to include "all or substantially all" antidepressant, antipsychotic, and anticonvulsant drugs. Your stories and those of beneficiaries are needed to demonstrate why these vital protections must be maintained. Please encourage individuals that receive their medications through Medicare to share their story by visiting <a href="http://www.mentalhealthamerica.net/go/action/share-your-story">http://www.mentalhealthamerica.net/go/action/share-your-story</a>.

#### **Comprehensive Directory of PAPs**

The attached chart outlines drug manufacturers' corporate charity Patient Assistance Programs' (PAPs) inter-relationships with Medicare Part D coverage. The information is also available online at <a href="http://www.rxassist.org/">http://www.rxassist.org/</a>.

# **Revised Auto-Enrollment Letters and Memorandum to Plans**

CMS has revised the auto-enrollment letter informing people with Medicare and full Medicaid coverage about the change in their drug coverage from Medicaid to Medicare. The notice explains that these individuals will be enrolled in a Medicare Prescription Drug Plan if they have not joined a plan on their own, what plan Medicare will enroll them in, and their costs in the plan. It will also notify them that their Medicaid is not creditable prescription drug coverage. A copy of this letter is available at

http://www.cms.hhs.gov/partnerships/downloads/autoenrollmentletter.pdf.

# No Part D Late Enrollment Penalty for Low-Income Subsidy Eligible Beneficiaries

The Centers for Medicare & Medicaid Services (CMS) eliminated the 2007 late enrollment penalty for any beneficiary eligible for the low income subsidy for a Part D plan even if the beneficiary failed to sign up by the program's initial deadline. Generally, Medicare beneficiaries who are qualified to join a Medicare prescription drug plan, but choose not to enroll during their initial enrollment period, may be subject to a late enrollment penalty (LEP). Now certain low-income Medicare beneficiaries can enroll in a Medicare prescription drug plan with no penalty through December 31, 2007.

#### **Deadline for Duals Losing Automatic Enrollment**

For the more than 600,000 individuals automatically enrolled in a Part D plan in 2006 who lost their dual eligible status in 2007, the deadline to switch drug plans if they choose is March 31, 2007. Medicare mailed notices to these individuals in October 2006 explaining why they no longer automatically qualified and encouraged them to complete an enclosed application for *Extra Help*.

#### **Free Clinics Database**

<u>NeedyMeds</u> is putting together a database of information about free clinics throughout the United States. They are collecting information on clinics that provide medical care for free or at low-cost to low-income patients. If you would like to contribute to this database, please send an email to: <u>clinics@needymeds.com</u>.

#### IN THE NEWS

#### **Diverting High-Cost Beneficiaries to Competitors**

Federal officials are investigating whether one health-insurance company that sells prescription-drug coverage to Medicare beneficiaries inappropriately diverted its most expensive customers to a competitor. Sierra Health Services, which offers Medicare Part D prescription-drug plans under the brand name SierraRx, alleges that Humana Inc. telephoned its highest-cost customers and recommended they purchase coverage from Sierra instead. <u>The Hill</u> (Requires free, one-time registration)

## AARP: Drug Prices Zoom

For the sixth year in a row, manufacturers' prices of brand-name prescription drugs rose last year at roughly twice the rate of inflation, according to a report released earlier this month. The annual report by AARP, the nation's largest organization of Americans aged 50 and older, found that prices for the 193 drugs most commonly used by that age group increased an average of 6.2 percent in 2006, while the Consumer Price Index rose 3.2 percent. <a href="Cox/Atlanta Journal Constitution">Cox/Atlanta Journal Constitution</a>

# <u>Legislation Would Revise Asset Test for Medicare Prescription Drug Benefit, Enroll More Low-Income Beneficiaries in Drug Plans</u>

Rep. Lloyd Doggett (D-Texas) introduced a bill (HR 1536) that seeks to help the estimated 3.27 million low-income beneficiaries who qualify for, but do not receive, federal subsidies under the Medicare prescription drug benefit and expand the eligibility for the subsidies to more beneficiaries. The bill would end a practice in which financial assistance provided by adult children to cover the cost of utility bills or groceries are considered income in calculations to determine whether Medicare beneficiaries qualify for the subsidies. The legislation also "would not punish low-income seniors for accumulating modest retirement savings" in calculations to determine whether they qualify for the subsidies, Doggett said. The bill has 156 House cosponsors and support from AARP, Consumers Union, the National Council on Aging, Families USA, the National Committee To Preserve Social Security and Medicare, and the Center for Medicare Advocacy. *Kaiser Network Daily Reports* 

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#### **TOOLS & RESOURCES**

### **Mental Health America Resources**

- <u>Saving Dough in the Donut Hole</u> offers tips to assist beneficiaries in Part D's coverage gap save money and find programs that may offer financial assistance.
- <u>The Basics</u> and <u>Prepare and Compare</u> provide consumers the necessary resources to successfully navigate Open Enrollment.

- <u>Changes in 2007</u> summarizes Part D changes in 2007 for special populations (developed in part with the National Council on Community and Behavioral Healthcare).
- Medicare RX Consumer Workbook assists beneficiaries in joining or switching a prescription drug plan. To order FREE workbooks for education and outreach efforts with Medicare beneficiaries, contact Mental Health America at <a href="mailto:shcrinfo@mentalhealthamerica.net">shcrinfo@mentalhealthamerica.net</a> or by calling 1-800-969-6642. Individuals may request single copies of the workbook through the Mental Health America Resource Center, 1-800-969-6642. PDF versions of the workbook in English and <a href="mailto:Spanish">Spanish</a> are also available at <a href="http://www1.nmha.org/federal/MedicarePrescriptionDrugBenefit.cfm#facts">http://www1.nmha.org/federal/MedicarePrescriptionDrugBenefit.cfm#facts</a>
- All Mental Health America resources are available at <a href="http://www1.nmha.org/federal/MedicarePrescriptionDrugBenefit.cfm">http://www1.nmha.org/federal/MedicarePrescriptionDrugBenefit.cfm</a>

#### **CMS** Resources

- Medicare and You 2007 available in English (PDF, 614 KB) and Spanish (PDF, 597 KB), contains important information about what's new, health plans, prescription drug plans, and rights and protections to help people with Medicare review their coverage options and prepare to enroll in a new plan if they choose. There are 48 geographic-specific versions with drug and health plan comparison charts for particular states or regions.
- Part D Special Enrollment Periods describes the different situations in which an individual may be eligible for a Special Enrollment Period (a period of time when an individual can enroll in or switch plans outside of the November 15<sup>th</sup> December 31<sup>st</sup> annual enrollment period).
   <a href="http://www.cms.hhs.gov/partnerships/downloads/PartDSEPs.pdf">http://www.cms.hhs.gov/partnerships/downloads/PartDSEPs.pdf</a>
- <u>Extra Help—Changes in Low-Income Subsidy Status and Plan Assignment for 2007</u> a background document that provides an overview of re-assignment and re-determination issues and key dates.
- Information Partners Can Use on: Medicare Part D 2007 Formulary Changes explains how Part D plan formularies will change in 2007, what formularies cover the drugs seniors use most, utilization management, and help available for people affected by formulary changes. The tip sheet is available at <a href="http://www.cms.hhs.gov/partnerships/downloads/2007FormularyChanges.pdf">http://www.cms.hhs.gov/partnerships/downloads/2007FormularyChanges.pdf</a>.
- <u>Landscape of Local Plans by State Breakdown</u> a directory of <u>2007 plan options by state</u>, including each plan's formulary, cost sharing information and utilization management policies. Plan information by state is available at <a href="http://www.medicare.gov/medicarereform/local-plans-2007.asp">http://www.medicare.gov/medicarereform/local-plans-2007.asp</a>.

#### **Additional Resources**

- <u>Talking About Medicare Consumer Guide</u> an online consumer guide by the <u>Kaiser Family Foundation</u> designed to help people with Medicare and their families understand options and make decisions about Medicare coverage based on their personal situations.
- BenefitsCheckUpRx <sup>™</sup> a new web-based tool from the Access to Benefits Coalition and the National Council on Aging that screens beneficiaries for state and federal prescription drug and health assistance programs. An organizational edition of BenefitsCheckUpRx <sup>™</sup> provides agencies some extra tools that make it easier to

screen, enroll and follow up with clients who are eligible to receive prescription drug coverage assistance.

 www.mentalhealthpartd.org – provides the latest information regarding Open Enrollment and how it may affect individuals with mental illness for advocates, providers and consumers. Important <u>CMS Part D resources</u> for physicians, patients and partners are available in one convenient location.

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