



P R O V I D E R B U L L E T I N

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To: All Providers**Subject: Effective End Date of current HoosierRx Program
Structure and Start of State Pharmaceutical
Assistance Program – HoosierRx - January 2006**

Note: The information in this bulletin is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system. The information in this bulletin is directed to the service delivery and billing staff of all fee-for-service and pharmacy providers. Please distribute appropriately.

Overview

Effective December 31, 2005, the state of Indiana's HoosierRx program will change. Beginning January 1, 2006, the Centers for Medicare and Medicaid Services (CMS) is implementing the new Medicare Prescription Drug Coverage program, also known as Medicare Part D. EDS will not process any HoosierRx Point of Sale (POS) claims with *dates of service* after December 31, 2005. However, because the HoosierRx program allows for a 90 day filing limit, EDS will be processing HoosierRx POS claims until March 31, 2006. This will allow for those claims with dates of service up until December 31, 2005 to be processed. Providers should note that any claim with a *date of service* after December 31, 2005 will be denied. The new HoosierRx program begins January 2006, and will offer assistance with Medicare Prescription Drug Plan costs.

State Pharmaceutical Assistance Program - HoosierRx

Effective January 1, 2006, HoosierRx will become recognized by Medicare as a qualified State Pharmaceutical Assistance Program (SPAP). HoosierRx will pay an eligible member's Medicare Prescription Drug Plan (PDP) monthly premium, up to the regional premium limit set by CMS. In 2006, the regional Medicare Prescription Drug Plan premium is set at \$35.69 a month. HoosierRx will also apply a \$250 annual allowance to be used toward a member's deductible and/or co-payments. As HoosierRx is a qualified SPAP, HoosierRx payments for Part D covered deductibles and/or co-payments will count towards the member's true out-of-pocket (TrOOP) costs. HoosierRx members will also receive the Medicare PDP's discounted drug pricing and annual catastrophic coverage.

HoosierRx and Medicare Part D Eligibility and Enrollment

The 2006 eligibility requirements for HoosierRx state that members must be 65 years of age or older; live in Indiana; have an income that does not exceed 150 percent of the federal poverty level (FPL), as determined by the Social Security Administration (SSA); and be enrolled in a Medicare Part D plan that works with HoosierRx. Having an income of 150 percent of the FPL in 2005 is equal to or less than \$14,355 for individuals and \$19,245 for married couples (new FPL to be set in 2006). Members must also apply for the SSA low income subsidy (LIS), also called Medicare Extra Help, and be determined eligible for Medicare partial/reduced assistance or not eligible for extra help due to higher assets, yet with income up to 150 percent FPL.

Members must complete the *Application for Help with Medicare Prescription Drug Costs* through the SSA and can call 1-800-772-1213, or for TTY at 1-800-325-0778. The *Application for Help with Medicare Prescription Drug Costs* is also available through local SSA offices or at www.socialsecurity.gov/prescriptionhelp/.

Members meeting the eligibility requirements for HoosierRx, will need to enroll in one of the Medicare Prescription Drug Plans working with HoosierRx, and are listed below. Members should enroll in the Prescription Drug Plan that covers all or most of their prescription drugs. When a member chooses a Prescription Drug Plan, he or she must stay with this plan for that year, unless the member qualifies for an exception. For more information about these exceptions contact Medicare at 1-800-633-4227. Members may change Medicare drug plans one time from January to May 15, 2006. Each year, members may switch to another Medicare Prescription Drug Plan during the annual Open Enrollment period, from November 15 to December 31.

The following four Medicare Prescription Drug Plans are working with HoosierRx:

- **Community Care Rx BASIC** 1-866-684-5353
- **First Health Premier** 1-866-865-0662
- **PacifiCare Saver Plan** 1-800-943-0399
- **Wellcare Signature** 1-888-481-5252

Members with *Partial* Medicare Extra Help

Members whose income is less than 150 percent of the FPL with lower assets, will have partial Medicare extra help. For these members, HoosierRx will pay a sliding scale monthly premium and as much as \$250 annually toward a \$50 deductible and/or member's co-payments. HoosierRx will pay the HoosierRx portion of the premium and benefits directly to one of the Medicare Prescription Drug Plans that has agreed to work with HoosierRx, and in which the member is enrolled.

Members with *No* Medicare Extra Help

Members whose income is less than 150 percent of the FPL and have higher assets, will be denied by SSA for the Medicare *extra help*. For these members, HoosierRx will pay a monthly premium and as much as \$250 annually toward a deductible or the member's co-payments. These members will have a gap in coverage. HoosierRx will pay the HoosierRx portion of the premium and benefits directly to one of the Medicare Prescription Drug Plans that have agreed to work with HoosierRx, and in which the member is enrolled.

Questions

Providers should direct questions about this bulletin to the EDS Pharmacy Services Helpdesk by calling (317) 655-3240 in the Indianapolis local area or 1-800-577-1278. Providers calling about pharmacy-related concerns and HoosierRx should select *Option 1*. Providers calling about non-pharmacy related concerns should select *Option 2*. The Customer Assistance telephone lines are available from 8 a.m. to 5 p.m. Monday through Friday, excluding State holidays, with the exception of January 2, 2006, when the Helpdesk will be open for normal business hours.

Additional Information

Once a member has received an SSA determination letter for the Medicare extra help and a letter or drug card from the MedicareRx plan, they may send copies of this documentation to HoosierRx for an eligibility determination, and commencement of premium and benefit payments.

Medicare Prescription Drug Coverage is a federal program implemented by CMS. The information in the bulletin is meant to address the changes to the HoosierRx program and the start of Medicare Prescription Drug coverage. The following are additional resources to obtain information about the Medicare Prescription Drug Coverage program and/or HoosierRx.

- HoosierRx at 1-866-267-4679, or visit the Web site at www.in.gov/HoosierRx/
HoosierRx, P.O. Box 6224, Indianapolis, IN 46206-6224
- Social Security Administration at 1-800-772-1213, or for TTY at 1-800-325-0778, or the Web site at www.socialsecurity.gov
- 1-800-MEDICARE (1-800-633-4227) or 1-877-486-2048 for TTY users, or the Medicare Web site at www.medicare.gov
- Indiana Senior Health Insurance Information Program (SHIIP) 1-800-452-4800, or visit the Web site at www.state.in.us/idoi/shiip