

HOW PRESCRIPTION ADVANTAGE WORKS WITH THE MEDICARE PRESCRIPTION DRUG COVERAGE (Part D) FOR 2015

Effective 4/1/15

Overview

Prescription Advantage, the Massachusetts state pharmaceutical assistance program (SPAP), works together with the Medicare prescription drug coverage to lower prescription drug costs for individuals enrolled in Medicare.

For members with Medicare:

- The prescription drug coverage provided through **Medicare is the primary drug insurance for Prescription Advantage members.**
- Prescription Advantage is a secondary insurer providing financial assistance to supplement Medicare coverage. Depending on the member's income, Prescription Advantage helps to pay member's Part D plan co-payments (membership category S1 only), the Medicare coverage gap (also known as the "donut hole") and co-payments in the Medicare catastrophic benefit.
- Prescription Advantage reduces the amount of money paid for prescriptions by providing an out-of-pocket spending limit for members. Once this limit is reached, Prescription Advantage will cover prescription drug co-payments for the remainder of the plan year.
- Prescription Advantage **requires** Medicare-eligible members to be enrolled in a Medicare prescription drug plan or a creditable coverage plan, (coverage that is equal to or better than Medicare prescription drug coverage) to receive assistance.
- Prescription Advantage **requires** lower-income members to apply for the Medicare Low Income Subsidy (LIS) also known as "Extra Help from Medicare". Members who do not apply will not be eligible to continue receiving assistance from Prescription Advantage.

Medicare-eligible members must apply for Extra Help if their income and assets are less than:

Member is:	Income is less than:	Assets are less than:
Single	\$17,655	\$13,640
Married	\$23,895	\$27,250

Note: Assets do not include a person's home, life insurance policies, burial plots or personal possessions.

Members apply for Extra Help through the Social Security Administration and can be approved for "Full" or "Partial" Extra Help.

Financial Assistance for Medicare Drug Coverage from Prescription Advantage.

Prescription Advantage provides supplemental financial assistance to members based on the member's income and the assistance they receive from Medicare.

Membership Categories S0 and S1: Members with "Extra Help" from Medicare

Full Extra Help: Members approved for **full extra help** will pay no premiums for **basic** Medicare prescription drug plans that have premiums at or below the rounded benchmark level established by Medicare (for 2015, the regional rounded benchmark in Massachusetts is \$29.65 per month).

These individuals will **not** have to pay deductibles and will **not** have a coverage gap (“donut hole”).

Members with full extra help will not need financial assistance with co-payments from Prescription Advantage.

Partial Extra Help: Members approved for **partial extra help** will be charged sliding-scale premiums, with Medicare paying the remainder up to the regional benchmark. Prescription Advantage will not impose a deductible, so benefits may begin with the first Medicare prescription and will continue until the member’s out-of-pocket limit is reached. Members with partial extra help will not have a coverage gap (donut hole).

Category	Level of Extra Help	Income Single	Income Married
S0	Full	Less than \$15,890	Less than \$21,506
S1	Partial	Less than \$17,655	Less than \$23,895

Members will pay not pay more than the co-payments listed below for a 30-day supply of medications covered by their Medicare drug plan. And once members reach their out-of-pocket spending limit, Prescription Advantage will cover prescription drug co-payments for the remainder of the plan year.

Category	Generic (30-day supply)	Brand Name (30-day supply)	Out-of pocket spending limit
S0	\$2.65	\$6.60	N/A
S1	\$7	\$18	\$1,575

Membership Categories S2, S3 and S4: Members have no “Extra Help” from Medicare

Prescription Advantage will provide co-pay assistance when members reach their Medicare drug plan’s coverage gap (when the total retail cost of covered medications reaches \$2,960). This means that Prescription Advantage will not help members pay for their prescriptions during the Medicare deductible period or initial coverage period.

Category	Federal Poverty Level	Income Single	Income Married
S2	Less than 188%	Less than \$22,128	Less than \$29,948
S3	188% to below 225%	\$22,129 - \$26,483	\$29,949- \$35,843
S4	225% to below 300%	\$26,484 - \$35,310	\$35,844 - \$47,790

Members will pay their Prescription Advantage co-payments when they reach the coverage gap. And, once members reach their out-of-pocket spending limit, Prescription Advantage will cover prescription drug co-payments for the remainder of the plan year.

Category	Generic (30-day supply)	Brand Name (30-day supply)	Out-of pocket spending limit
S2	\$7	\$18	\$1,750
S3	\$12	\$30	\$2,195
S4	\$12	\$30	\$2,625

Membership Category S5: Members provided with additional catastrophic coverage

Federal Poverty Level	Income Single	Income Married
Between 300 and 500 %	\$35,311 - \$58,850	\$47,791 - \$79,650

Prescription Advantage assistance will begin when members have accumulated \$3,500 in out-of-pocket costs in calendar year 2015 while they are enrolled in Prescription Advantage. These members will be charged a \$200 annual enrollment fee in exchange for this cap on high drug costs, which will supplement the catastrophic benefit provided under Medicare Part D.

Drugs Not Covered by the Medicare Drug Plan

Prescription Advantage will cover a one-time, 72-hour supply of any medication that cannot be billed to a member's Medicare Part D drug plan or is rejected by the plan.

Other than this 1-time supply, Prescription Advantage will provide financial assistance only for drugs that are covered by a member's Medicare drug plan.

Resources for Prescription Advantage Members and Other Medicare Beneficiaries

Prescription Advantage Customer Service: 1-800-243-4636 press 2;
TTY: 1-800-610-0241
www.prescriptionadvantagemma.org

SHINE – Serving Health Information Needs of Everyone
1-800-243-4636 press 3;
MassRelay: 711 or 1-800-439-0183 / 877-752-2388 (voice)
TTY:1-800-439-2370
www.mass.gov/elders

MCPHS University Pharmacy Outreach Program: 1-866-633-1617; TTY/TDD users should ask the operator to call the toll-free number
www.mcphs.edu/impact/community-service-programs

Medicare: 1-800-MEDICARE (1-800-633-4227) TTY: 1-877-486-2048
TTY: 1-877-486-2048
www.medicare.gov.