TO: Local Commissioners, Medicaid Directors

FROM: Gregory S. Allen, Director, Division of Financial Planning & Policy

SUBJECT: Elimination of the Medicare Part D Wrap

EFFECTIVE DATE: October 1, 2011

CONTACT PERSON: Mary A. Carroll, Division of Financial Planning and Policy, Bureau of Pharmacy Policy and Operations: 518-486-3209

This GIS is to inform local departments of social services and the Human Resources Administration (HRA) of changes to the fee-for-service pharmacy benefit for full benefit Medicare/Medicaid dual eligibles.

Effective October 1, 2011, the Medicaid program will no longer pay for Medicare Part D drugs in the following drug classes when billed for full benefit Medicare/Medicaid dual eligibles:

- atypical antipsychotics
- antidepressants
- antiretrovirals used in the treatment of HIV/AIDS
- antirejection drugs used for tissue and organ transplants

Drugs in these classes will be billed directly to the dual eligible beneficiary's Part D plan, or when applicable, to Medicare Part B. If the beneficiary does not have Part B and the drug is a Part B drug Medicare will not pay for the drug. The beneficiary will need to contact their Medicaid worker to enroll in Part B.

The Part D plan may require prior authorization or an exception request before a prescription is filled at the pharmacy. Or, the plan may deny coverage of the drug. If an enrollee doesn't agree with this determination made by the plan, the enrollee has the right to appeal.

To appeal this decision the enrollee should contact his/her physician to ask if another drug covered by the plan is recommended. If the physician determines there is no alternative drug, the doctor will request an exception from the plan to cover the prescribed drug.

For expedited redeterminations, a Part D plan must give the enrollee and prescribing physician involved, notice of its decision no later than 72 hours after receiving the request. Decisions on standard redeterminations must be communicated to the enrollee in writing no later than 7 days after receiving the request. If a plan issues an adverse redetermination, their enrollee will receive a notice that includes information on how to request reconsideration by the Part D plan.

For more information about filing a Medicare Prescription Drug Coverage complaint go to: How to File a Complaint, Coverage Determination or Appeal at www.medicare.gov/Publications/Pubs/pdf/11112.pdf

The New York Medicaid Program will continue to cover certain drugs which are excluded from the Medicare Part D benefit, such as barbiturates, benzodiazepines, some prescription vitamins and some non-prescription drugs. These drugs will continue to be billed directly to Medicaid.

Beneficiaries should contact Medicare at 1-800-MEDICARE for information regarding Medicare drug benefits. If assistance is required choosing a different plan or there are questions related to Part D plans, beneficiaries should contact 1-800-MEDICARE (1-800-633-4227) or 1-877-486-2048 for TTY users. Assistance is also available through the New York Health Insurance Information Counseling & Assistance Program (HIICAP) at 1-800-701-0501.

Questions pertaining to Medicaid fee-for-service drug coverage can be directed to the DOH Office of Health Insurance Programs, Bureau of Pharmacy Policy and Operations at (518) 486-3209.