

Medicare Part D 2020

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Medicare Part D Program Coordinator

Fall Medicare Training for Professionals

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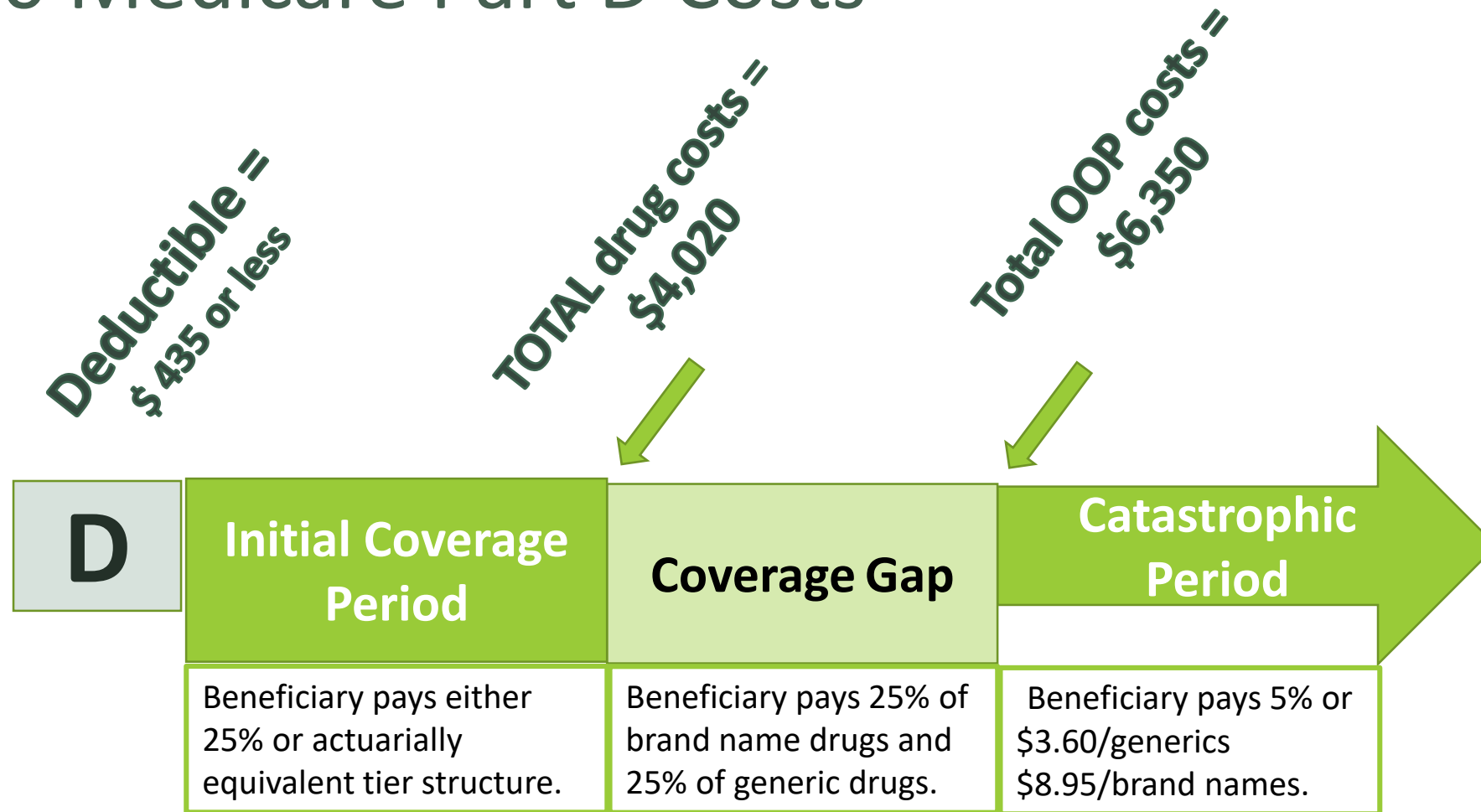


LOCAL HELP FOR PEOPLE WITH MEDICARE

Topics

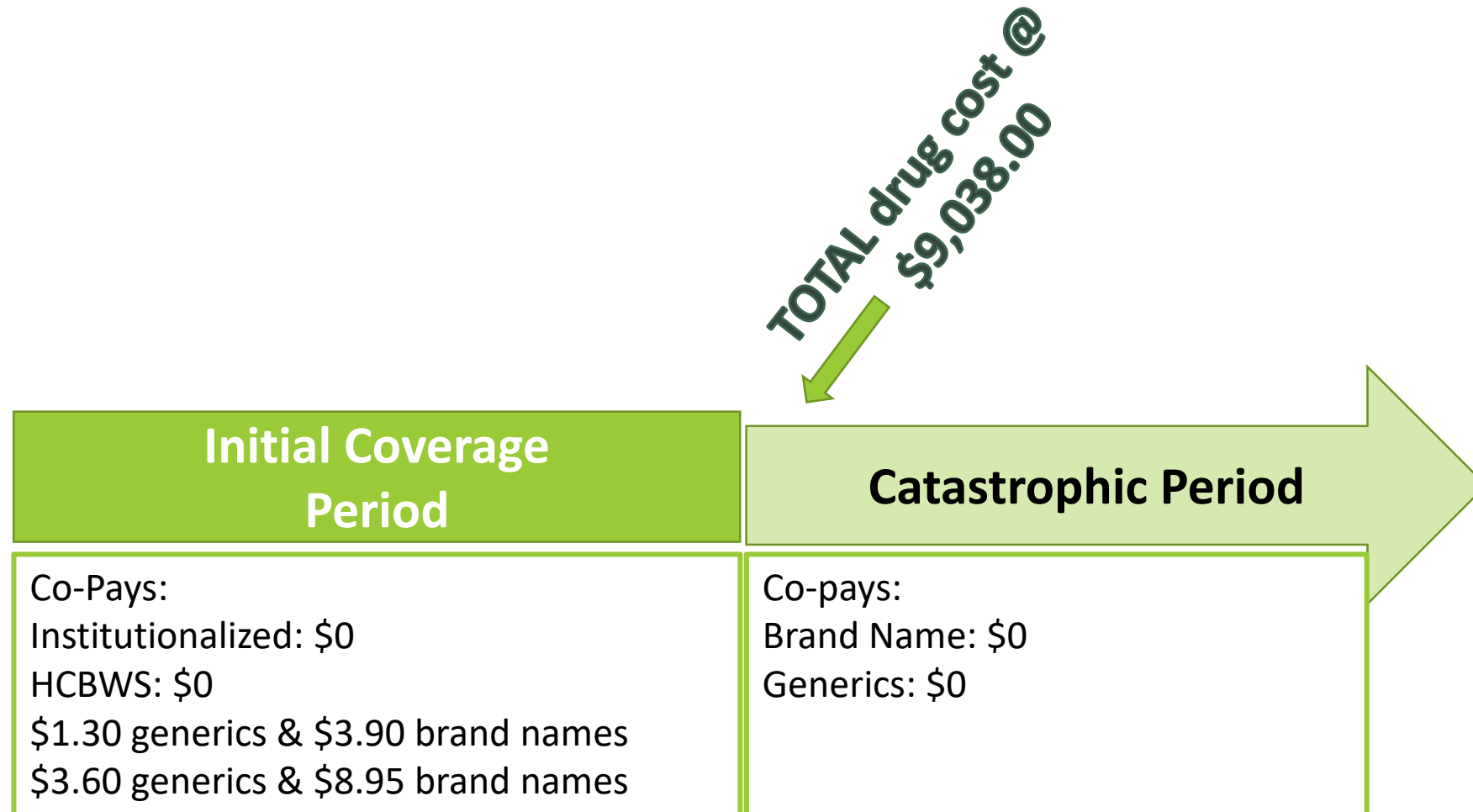
- Part D standard structure for 2020
- Coverage gap 2020
- TrOOP calculation
- Dual Eligible SEP
- 2020 PDPs
- LINET and BAE
- Odds and Ends

2020 Medicare Part D Costs



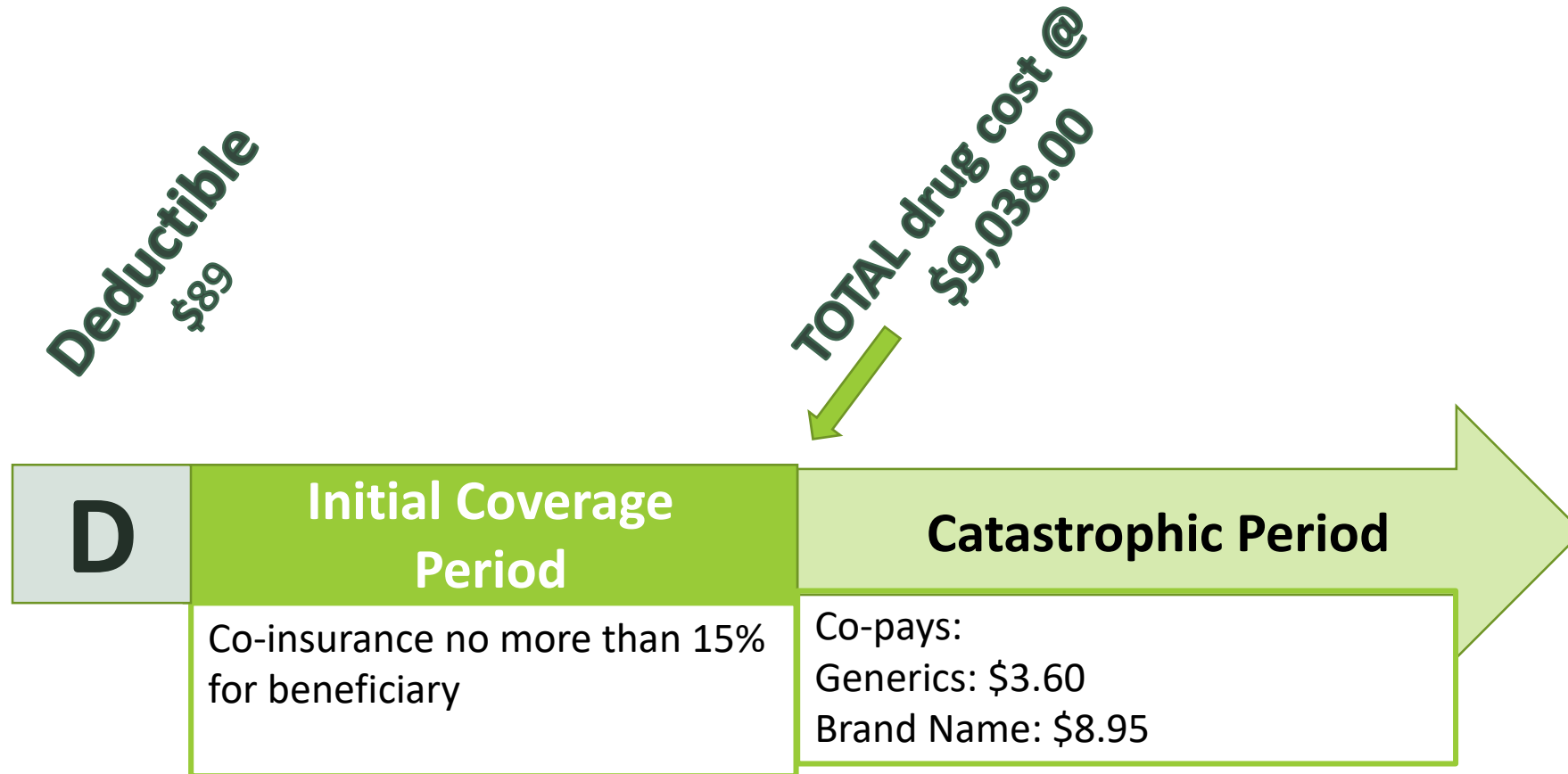
Starting January 1, 2020 (or at effective date for those who begin Part D after January 1, 2020)

2020 Medicare Part D LIS Costs



Starting January 1, 2020 (or at effective date for those who begin Part D after January 1, 2020)

2020 Medicare Part D Partial LIS Costs



Partial Help has three different levels. This represents the maximum beneficiary liability. From January 1, 2020 (or at effective date for those who begin Part D after January 1, 2020)

Improved Coverage in the Coverage Gap

Year	What You Pay for Covered Brand-Name Drugs in the Coverage Gap	What You Pay for Covered Generic Drugs in the Coverage Gap
2018	35%	44%
2019	25%	37%
2020	25%	25%

How the different levels of coverage will work in 2020

- The standard benefit has not changed
 - Will still need to meet the deductible
 - Will still need to accrue OOP costs during the Initial Coverage Level (ICL)
 - Will still need to meet the TrOOP amount during the coverage gap

Example:

XYZ Medicare Rx PDP

XYZ Medicare Rx PDP

- Deductible = \$435
- Tier 1 Preferred Generics = \$1
- Tier 2 Non Preferred generics = \$4 or exact amount if price under \$4
- Tier 3 Preferred Name Brands = 15%
- Tier 4 Non Preferred Name Brands = 33%
- Tier 5 Specialty Tier = 25%

We will look at 3 drugs in this plan

Tier 1 Atorvastatin

Tier 2 Quetiapine

Tier 3 ProAir Inhaler

Pricing in the levels

- **Deductible**
 - Atorvastatin = \$6.55
 - Quetiapine = \$12.16
 - ProAir = \$62.54
- **ICL**
 - Atorvastatin = \$1
 - Quetiapine = \$4
 - ProAir = \$9.38
- **Coverage Gap**
 - Atorvastatin = \$2.42
 - Quetiapine = \$4.50
 - ProAir = \$15.64

Coverage Gap in 2020

- Part D enrollees will receive a 75% Donut Hole discount on the total cost of their **brand-name** drugs purchased while in the Donut Hole. The discount includes, a 70% discount paid by the brand-name drug manufacturer and a 5% discount paid by your Medicare Part D plan. The 70% paid by the drug manufacturer combined with the 25% you pay, count toward your TrOOP.
- Medicare Part D enrollees who reach the Donut Hole will also pay a maximum of 25% co-pay on **generic** drugs purchased while in the Coverage Gap (receiving a 75% discount).

True Out Of Pocket (TrOOP) Calculation

- Beneficiary's TrOOP expenses include:
 - Deductible
 - Cost-sharing
 - Co-payments
 - Co-insurance
 - Coverage gap payments
 - Drug company discount amount of brand name cost
 - Payments made by organizations, programs, friends, family on beneficiary's behalf
- Premium does NOT count.
- Amount plan pays does NOT count.
- Costs for enhanced benefits do NOT count.

TROOP transfers if switch plans during the year

TrOOP Examples

Name Brand

Jane reaches the Donut Hole and purchases a brand-name medication with a negotiated retail cost of \$100, she will pay \$25 for the medication, and receive \$95 credit toward meeting the 2020 total out-of-pocket spending limit.

Generic

Michael reaches the Donut Hole, and all his medications are generic. One medication has a negotiated retail cost of \$100, and he will pay \$25. Only \$25 will count toward the 2020 TrOOP.

Dual Eligible SEP – 4th quarter

- **SEP Does Not Exist**
- All changes/enrollments must be done during the AEP 10/15 - 12/7 and effective 1/1/20

Medicare Prescription Drug Manual Ch. 3 §30.3.2

This SEP allows an individual to enroll in, or disenroll from, a Part D plan once per calendar quarter during the first nine months of the year. This SEP can be used once during each of the following time periods:

- January – March,
- April – June, and
- July – September.

It may not be used in the 4th quarter of the year (October – December). *(emphasis added)*

2020 Prescription Drug Plans

Landscape of Wisconsin 2020 Plans designates Low Cost plans in **BOLD**

- 29 Wisconsin prescription drug plans
 - Premiums range from \$13.20 - \$124.00
 - 8 low cost plans
 - Cigna-HealthSpring Rx Secure
 - Premium \$1.40 (?)
- Two new plans
 - Clear Spring Health Value Rx – low cost plan
 - Clear Spring Health Premier Rx – enhanced plan

2019-2020 PDP Changes

- Aetna
- Anthem
- Cigna
- Envision
- Humana
- Wellcare

Aetna plans

Not available for 2020

- Aetna PDPs were bought out by Wellcare in 2018
- All Aetna PDP members will be mapped to Wellcare effective 1/1/2020
- Mailings to members started this summer
- New cards will be mailed and should be received by the end of December
- Transition letter to members is found [here](#)
 - Click on what to expect

PDP changes 2019-2020

2019

- Cigna HealthSpring Rx
- EnvisionRx Plus
- EnvisionRx Plus Wellcare
- Anthem Blue Cross and Blue Shield

2020

- Cigna
- EnvisionInsurance
- Wellcare
- MediBlue Rx

2020 Humana Plans

Plan not available in 2020

- Humana Enhanced S5884-074

Name Change

- Humana Walmart Value S5884-162
 - Humana Premier Rx Plan
- Humana Preferred Rx S5884-139
 - Humana Basic Rx

New plan

- Humana Walmart Value Rx S5884-195

Limited Income Newly Eligible Transition (LINET)

- Designed to eliminate gaps in coverage for LIS eligible
- Pharmacy Point of Sale (POS) entry
- Temporary coverage until Part D plan is selected or facilitated into a plan
- Provides retroactive coverage to start if of full benefit dual eligible status
- Operated by Humana since 2007
 - Open formulary
 - some drugs have safety edits, e.g. opioids
 - Beneficiary will receive a card

LINET

- Clients can request at the pharmacy counter
- Pharmacies are able to run LINET
 - BIN = 015599
 - PCN = 05440000
 - Pharmacy helpline 1-800-783-1307
- Not everyone who is Medicaid eligible can be enrolled in LINET
 - SeniorCare and on a MA only plan
 - Those who opted out of Part D
 - Deceased
 - Call helpline for assistance

Best Available Evidence (BAE)

- When LIS is not showing in Medicare and Medicaid eligible
- Information can be submitted to:
 - Current plan
 - LINET
- Plans are required to accept evidence of eligibility for LIS
- Upon receipt of BAE, plan must provide access to covered Part D drugs at a reduced cost sharing level, e.g. category 1 or zero if institutionalized
- Update plan system within 48-72 hours of receipt of documentation
- Must assist members if cannot produce documentation
- Must develop appropriate member services and pharmacy help desk to identify BAE cases

CMS no longer provides a list of plan BAE contacts. For assistance contact the helpline

Indication Based Formulary

- Currently if a medication is on a formulary, the plan must:
 - Cover every indication approved by the FDA
 - Can use utilization management tools
- Can tailor which drugs on formulary starting 2020
 - Certain drugs for specific indications
 - Must ensure there is another drug on formulary for all other approved indications
- Expectation to increase the number of drugs available
 - Promote diversity of formularies
 - Will allow sponsors flexibility to add to their formularies instead of leaving certain drugs off formulary
- Plans must disclose these medications in the Annual Notice of Change
 - In plan finder under the drug coverage information section

Odds and Ends

- Old Medicare cards cannot be used after 12/31/2019
- Part D Base Premium
 - 2020 National Base Premium = \$32.74
 - 2020 Wisconsin Low Income Subsidy premium = \$39.91
- Know the Lowest Price Act of 2018
 - Elimination of the Gag Clause
 - Plans had prohibited pharmacy disclosure of lower pricing
 - Pharmacy can advise clients of lower pricing for drugs starting 2020
 - Enrollees can submit receipt to plan for reimbursement and to count towards OOP

Odds and Ends (continued)

- Preclusion List
 - List of individuals and entities who are currently or could be revoked from Medicare
 - MAPD and PDPs must:
 - Reject claims or deny payment
 - Notify enrollees of contracted providers who is on the list
- Specialty Tier Threshold
 - Plans may exempt tier from the tiering exception process
 - Threshold amount is \$670 for 30 day supply
 - Cost of drug is over \$670

Summary

- There is only one landscape of plans
 - Low cost plans are in bold
- Star Ratings are available in mid October
 - Landscape will be updated
- Any crosswalk information will be distributed
 - Addendum to training at a later date.

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