

You are receiving this letter because you or a loved one may experience a major change in your current Medicaid prescription drug coverage beginning on January 1, 2006.

December 2, 2005

Due to the Medicare Prescription Drug Improvement and Modernization Act of 2003, Medicare beneficiaries (senior citizens and people with disabilities under age 65) will have the opportunity to voluntarily enroll in a private prescription drug plan beginning in January 2006. This is a significant change especially for “dual eligibles,” people who receive both Medicare and Medicaid, because Medicaid prescription drug coverage for dual eligibles will be discontinued on December 31, 2005. In order to continue to receive prescription drug coverage, dual eligibles must enroll in a Medicare prescription drug plan, which begins on January 1, 2006.

What is a Dual Eligible? A dual eligible is an individual that receives both Medicare and Medicaid benefits. “Dually eligible people with disabilities usually receive Social Security and Medicare benefits and Supplemental Security Income (SSI) and Medicaid benefits. (The Social Security benefits are usually Disability Insurance benefits or Disabled Adult Child benefits received due to the retirement, death, or disability of a parent).” [Disability Policy Collaboration, September 2005]

In October 2005, the Center for Medicare and Medicaid (CMS) began to randomly “auto-assign” dual eligibles to a prescription drug provider (“PDP”). All dual eligibles should have already received a letter from CMS regarding the name of the PDP to which they were auto-assigned. The auto-assignment of dual eligibles was a precaution taken by CMS in order to ensure that all dual eligibles would continue to have prescription drug coverage after December 31, 2005. It is important that you learn about the PDP so that if it does not provide the prescription coverage you need or if the provider does not include your local pharmacy in its network, you can find a PDP that meets your needs.

The following information is important to know and keep in mind as you find the PDP that meets your needs.

Independent Drug Formularies & Network of Providers

The new Medicare drug benefit will be provided by private PDPs and each plan will have its own drug formulary and network of providers. In other words, each PDP will have its own list of prescription medications that the drug plan will pay for. In addition, each PDP will establish its own network of pharmacies.

Excluded Medications

The new Medicare drug benefit will exclude a number of medications that may be used by people with developmental disabilities. The excluded medications are: barbiturates; benzodiazepines; prescription vitamin and mineral products (except prenatal vitamins and fluoride preparation); over-the-counter medications; medications used for anorexia, weight loss or weight gain; and medications used for cosmetic purposes and hair growth.

Please note that Texas Medicaid will continue to pay for a few categories of drugs that will not be covered by the new Medicare prescription drug benefit. The Texas “Medicaid Wraparound” will pay for: barbiturates; benzodiazepines; some prescription vitamin and mineral products; some over-

the-counter medications, including some drugs used in symptomatic relief of cough and colds; some medications used for anorexia, weight loss or weight gain.

Cost-Sharing— Monthly Premiums

Medicare will pay the premium cost up to the average premium level for every state. Of 47 PDPs in Texas (with monthly premiums of \$10.31 to \$68.41), approximately 16 PDPs (“Basic-level Medicare prescription drug plans”) have no premiums and no required deductibles for dual eligibles.

| Basic-Level Plans in Texas | Phone Number |
|---|---------------------|
| AARP Medicare Rx Plan | 888-867-5564 |
| Advantage Star Plan | 877-279-0370 |
| Aetna Medicare Rx Essentials | 800-213-4599 |
| Blue Medicare Rx 005 | 888-579-9373 |
| Blue Medicare Rx 009 | 888-579-9373 |
| Community Care Rx Basic | 866-684-5353 |
| Elder Health PDP Texas | 888-225-0026 |
| Humana PDP Standard | 800-281-6918 |
| Medicare Rx Rewards | 866-892-5335 |
| PacifiCare Saver Plan | 800-943-0399 |
| Prescription Pathway Bronze Plan | 800-765-8900 |
| Sierra Rx | 866-789-0565 |
| SilverScript | 866-552-6106 |
| Texas HealthSpring Prescription Drug Plan | 800-846-2098 |
| United Medicare MedAdvance | 888-556-6657 |
| WellCare Signature | 888-423-5252 |

Cost-Sharing— Co-Pays

Dual eligibles living in ICFs/MR or nursing facilities will not be required to pay co-pays. Co-pays of \$1-\$5 (depending on income level and whether the drug is generic or brand name) will be required of all other dual eligibles receiving waiver services, living with their families, living in group homes that are not ICFs/MR, and other residential services.

For more information about the change in prescription drug coverage for dual eligibles, visit or contact the following resources:

Websites

- “A Guide to Medicare Part D Prescription Drug Coverage For People with Developmental Disabilities” <http://thedesk.info/PartD/>
- The Medicare Website (this site includes the “Medicare Prescription Drug Plan Finder”). <http://www.medicare.gov/>
- “Medicare Rx: Helping Texans Get It” from the Texas Health and Human Services Commission <http://www.texasmedicarerx.com/>

Telephone and Face-to-Face

- Contact your local MHMR center.
- Visit your local pharmacy.
- State Health Insurance Assistance Programs (SHIPs) provide volunteers to assist beneficiaries in choosing PDPs. In Texas, call 1-800-252-9240.
- Call 1-800-MEDICARE (1-800-633-4227).

If you or a loved one is a dual eligible, it is important that you learn about the new Medicare prescription drug benefit, as it will impact you beginning on January 1, 2006. If you have any questions or concerns, do not hesitate to visit or call the resources listed above and/or call The Arc of Texas at 1-800-252-9729.

Sincerely,

A handwritten signature in black ink that reads "Amy Mizcles". The signature is written in a cursive, flowing style.

Amy Mizcles
Director of Governmental Affairs