



***The Bulletin of  
Medicaid Drug  
Utilization Review  
in Iowa***

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**Changes in Medicaid due to Medicare Part D:  
Part D involves several changes for Medicaid  
members who also qualify for Medicare.**

**Background**

Medicaid members who also qualify for Medicare, referred to as dual eligibles, will have their prescription drugs paid through Medicare Part D effective January 1, 2006. Medicaid will not continue the drug coverage provided prior to January 1, 2006. The Centers for Medicare and Medicaid (CMS) Services auto enrolled dual eligibles in one of 11 prescription drug plans (PDP) in Iowa if they did not actively choose a plan by December 31, 2005. Enrollment in the plans began on November 15, 2005 so dual eligibles could select a different plan or remain in the plan CMS auto enrolled them in. Dual eligibles are able to change plans on a monthly basis. While the dual eligible is responsible for the prescription drug copayment, the plan costs for the 11 plans that are eligible for auto enrollment will be covered by Medicare's Extra Help program.

**Federal Legislation**

The statutory definition of a Medicare Part D drug specifically excludes drugs or drug classes, which may be excluded from coverage under Medicaid, with the exception of smoking cessation agents which are covered by Medicare Part D. These exclusions include: (1) agents used for anorexia, weight loss or weight gain; (2) fertility agents; (3) cosmetic agents; (4) agents when used for the symptomatic relief of cough and colds; (5) prescription vitamins and mineral products, except prenatal vitamins and fluoride preparations; (6) non-prescription drugs; (7) drugs for which the manufacturer seeks to require that associated monitoring services be purchased exclusively from the manufacturer or its designee; (8) barbiturates; and (9) benzodiazepines. The definition of a Part D drug also excludes any drug for which, as prescribed, payment would be available under Parts A or B of Medicare.

**Dual Eligible Formulary through Iowa Medicaid**

Per State Medicaid Director Letter #05-002 dated June 3, 2005 state Medicaid programs were directed to cover the excluded drugs for full benefit dual eligibles to the same extent they cover these drugs for Medicaid recipients who are not full benefit dual eligibles. This means only the excluded classes designated below in Section c. will be covered by Iowa Medicaid, NOT drugs excluded from a particular Medicare Part D prescription plan.

- a. Requirements: All Preferred Drug List (PDL) and Prior Authorization (PA) requirements will be the same for the dual eligibles as for the regular Medicaid population.
- b. Pharmacy Billing: Iowa Medicaid will only accept secondary claims. Effective January 1, 2006 Medicaid should be listed as the secondary insurance for all dual eligibles. All claims should be submitted to the primary insurance first (Medicare Part D PDP). Listing Medicaid as the primary insurance will result in denial of the claim. Medicaid will always be the payer of last resort.

- c. Drug Categories, billed as secondary claims, that Iowa Medicaid will cover for dual eligible individuals include:
- 1). Barbiturates
  - 2). Benzodiazepines
  - 3). Cough and Cold Products defined as the following Preferred Drug List (PDL) categories:
    - Cough/Cold-Antitussive-Narcotic
    - Cough/Cold-Antitussive-Non-Narcotic
    - Cough/Cold-Antitussive-Expectorant
    - Cough/Cold-Antitussive-Expectorant Decongestant-Antihistamine
    - Cough/Cold-Antitussive-Expectorant-Decongestant
    - Cough/Cold-Antitussive-Decongestant & Anticholinergic
    - Cough/Cold-Antitussive-Decongestant w/Expectorant
    - Cough/Cold-Antitussive-Decongestant-Antihistamine w/Expectorant
    - Cough/Cold-Antitussive-Decongestant-Antihistamine-Anticholinergic
    - Cough/Cold-Expectorant Mixtures
    - Cough/Cold-Expectorant
    - Cough/Cold-Narcotic Antitussive-Antihistamine
    - Cough/Cold-Narcotic Antitussive-Decongestant
    - Cough/Cold-Narcotic Antitussive-Decongestant-Antihistamine
    - Cough/Cold-Non-Narcotic Antitussive-Antihistamine
    - Cough/Cold-Non-Narcotic Antitussive-Decongestant
    - Cough/Cold-Non-Narcotic Antitussive-Decongestant-Antihistamine
    - Cough/Cold-Systemic Decongestants
    - Cough/Cold-Topical Decongestants
  - 4). Over-the-Counter Drugs (see the OTC Drug List posted at [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com))
  - 5). Prescription Vitamin and Minerals, except prenatal vitamins and fluoride preparations
  - 6). Weight Loss Products
- d. Medicare Part B Drugs- Iowa Medicaid will NOT pay for any Medicare Part B drugs such as Oral Immunosuppressant Drugs, Inhalation Drugs When Used With A Nebulizer, Oral Chemotherapy Drugs, Oral Anti-Emetic Drugs, Blood Clotting Factors, or Epoetin. A drug for which coverage is available under Medicare Part A or Part B, as it is being “prescribed and dispensed or administered” with respect to an individual, is excluded from the definition of a Part D drug and therefore cannot be included in Part D basic coverage and must be billed to Medicare Part B.

### **Medically Needy**

Iowa Medicaid is awaiting further information from CMS regarding the Medically Needy program and will provide additional information to providers once available.

### **Medicare Part D Information**

Questions regarding Medicare Part D should be directed to the following:

#### **CALL**

- 1-800-MEDICARE (633-4273)
- County Senior Health Insurance Information Program (SHIIP) office  
(<http://www.shiip.state.ia.us/sites.html>)

#### **INTERNET**

<http://www.medicare.gov>

Medicare home page

<http://www.medicare.gov/medicarerreform/drugbenefit.asp>

General Part D Information

<http://www.medicare.gov/medicarerreform/map.asp>

Plan Information

## CMS Plans for Transition of Dual Eligibles from Medicaid to Medicare Part D

Beginning January 1, 2006, responsibility for prescription drug coverage for Medicare beneficiaries who are also enrolled in Medicaid shifted from the state Medicaid programs to the federal Medicare Part D program. These beneficiaries, referred to as the full-benefit dual eligibles, qualify for Medicare prescription drug coverage with low or no premiums and co-payments of a few dollars. CMS has stated their commitment to accomplishing the following two key objectives to ensure a safe and appropriate transition of the dual eligible population from Medicaid to Medicare Prescription Drug Coverage:

- Providing comprehensive coverage and high quality prescription drug coverage plans for all people with Medicare, but especially for the dually eligible population. To achieve this objective, CMS has taken the following steps:
  - ▶ Formularies must include at least two drugs in each approved category and class if available. CMS requires that each plan's formulary include all or substantially all drugs in each of the following key categories: antidepressants, antipsychotics, anticonvulsants, anticancer drugs, immunosuppressants and antiretrovirals for treating HIV/AIDS.
  - ▶ CMS required each Medicare prescription drug plan (PDP) to establish an appropriate transition process for all new enrollees. All of these transition plans include at least a one-time fill of a prescription drug excluded from the plan's formulary in order to accommodate situations in which a beneficiary presents at a participating pharmacy with a prescription he or she has previously filled but that is not on the formulary.
  - ▶ CMS developed exceptions procedures designed to ensure that enrollees receive prompt decisions regarding whether medications are medically necessary.
  - ▶ CMS established specific protections for beneficiaries who live in long-term care facilities.
- Ensuring continuity of prescription drug coverage and care for the dual eligibles.
  - ▶ CMS conducted targeted education and outreach to ensure dual eligible beneficiaries were aware of the changes to their prescription drug coverage.
  - ▶ To ensure that there is no lapse in prescription drug coverage, full-benefit dual eligibles were automatically enrolled in a Medicare PDP by January 1, 2006. Dual eligible individuals will have the opportunity to switch plans at any time. In the future, CMS will identify and auto-enroll those about to become full-benefit dual eligibles prior to the end of their Medicaid coverage including those who will age into Medicare or who will reach the end of the 24-month Medicare disability waiting period.
  - ▶ CMS has special protocols and specially trained operators and case work coordinators ready to provide dual-eligibles.
  - ▶ CMS has participated in the development of an automated Part D eligibility query and coordination of benefits (COB) process.

Despite best efforts to identify and auto-enroll all dual-eligible beneficiaries, it is possible that some beneficiaries may go to pharmacies before they have been auto-enrolled in a Part D plan. CMS has developed a process to ensure full dual eligible individuals experience no coverage gap. CMS has contracted with Anthem Prescription, LLC to manage a single national account for payment of prescription drug claims for dual eligible beneficiaries who have not yet been auto-enrolled into a Part D plan at the time they present a prescription at the pharmacy. Payer Sheet information includes BIN – 610575 and PCN – CMSDUAL01. For complete information on this process, see [www.new.cms.hhs.gov/PrescriptionDrugCovGenIn/Downloads/POSFacilitatedEnrollmentweb.pdf](http://www.new.cms.hhs.gov/PrescriptionDrugCovGenIn/Downloads/POSFacilitatedEnrollmentweb.pdf)

## More Part D Information

Additional Medicare Part D information can be found at <http://new.cms.hhs.gov> including:

- Summary of PDP Transition Plans
- Summary of MA-PD Transitions Plans
- PDP Landscape of Local Plans Source File
- MA Landscape of Local Plans Source File
- Point-of-Sale Facilitated Enrollment of Dual Beneficiaries 12/30/05
- Quick Answers to FAQs on Processing Claims for Dual Eligible Beneficiaries
- What if Scenarios for Coordination of Benefits (COB)
- What if Scenarios for Pharmacy
- Medicare Part B Versus Part D Guidance

Source: [www.medicare.gov](http://www.medicare.gov)



**Iowa Medicaid Drug Utilization Review**  
 Iowa Medicaid Enterprise  
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## Iowa Auto Enrollment Medicare Part D Prescription Drug Plans

Company Name	Plan Name	Contract ID	Plan ID	Contact Number
United Healthcare	AARP MedicareRx Plan	S5820	024	888.867.5564
United Healthcare	United MedicareRx	S5820	024	888.867.5561
RxAmerica	Advantage Freedom Plan	S5644	059	877.279.0370
RxAmerica	Advantage Star Plan	S5644	080	877.279.0370
MEMBERHEALTH	Community Care Rx Basic	S5803	094	866.684.5353
Humana Inc.	Humana PDP Standard S5884-083	S5884	083	800.281.6918
Wellmark Blue Cross and Blue Shield of Iowa	MedicareBlue Rx Option 1	S5743	001	866.456.3725
Unicare	MedicareRx Rewards	S5960	025	866.892.5335
PacifiCare Life and Health Insurance Company	PacifiCare Saver Plan	S5921	248	800.943.0399
Pennsylvania Life Insurance Company	Prescription Pathway Bronze Plan Reg 25	S5597	090	800.765.8900
SilverScript	SilverScript	S5601	050	866.552.6106
United Healthcare	United Medicare MedAdvance	S5820	128	888.566.6657
United Healthcare	UnitedHealthRx	S5820	139	888.556.7052
WellCare	WellCare Signature	S5967	059	888.423.5252
Medco Health Solutions, Inc.	YOURx Plan	S5660	025	800.758.3605

Source: <http://www.medicare.gov/medicarereform/map.asp>