



Fundamentals of Medicare Prescription Drug Coverage



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The Issue: Medicare beneficiaries in Kansas and around the nation are now eligible to enroll in the new Medicare prescription drug program, also known as "Medicare Part D." Most seniors will benefit financially from this program, but it is complex and requires Medicare beneficiaries to proactively decide whether to enroll and choose from among many competing plans.

Why It's Important: There are approximately 400,000 Medicare beneficiaries in Kansas, and all of them are eligible to participate in the new prescription drug program. Each beneficiary must decide first whether to enroll in the program and then, which plan to join. Kansas beneficiaries can choose from 40 distinct plans, each offering different cost and benefit structures. Unless Congress extends it, the enrollment period for current Medicare beneficiaries runs from November 15, 2005, to May 15, 2006. Beneficiaries who wait until after this period to enroll face premium penalties that will raise the cost of their coverage.

This Guide: Although it's a federal program, the Medicare prescription drug program is likely to generate questions, inquiries and requests for help to elected officials at all levels of government. To assist you in guiding your constituents through the ins and outs of this new program, the Kansas Health Institute (KHI) and the Kansas Department on Aging's Senior Health Insurance Counseling for Kansas (SHICK) program have teamed up to develop this Resource Guide. This packet contains the information you need to understand the basics of the program, how it works and the resources that are available around the state should you or your constituents need additional help. Included in the KHI/SHICK Resource Guide to the Medicare Prescription Drug Program in Kansas are:

Left side of packet:

- A description of Senior Health Insurance Counseling for Kansans (SHICK)
- Navigating Through Medicare (developed by SHICK)
- Medicare Drug Coverage: The Basics (developed by AARP)
- Recent national articles on counseling capacity and the enrollment of low-income beneficiaries

Right side of packet:

- Fundamentals of Medicare Prescription Drug Coverage
- What You and Your Constituents Need to Know
- The Standard Medicare Prescription Drug Benefit At-A-Glance
- Plans Approved for Kansas by the Centers for Medicare and Medicaid Services
- Four Important Issues
- Important Dates
- Where to Go for Help and Information (national and state resources)
- Where to Go for Help and Information by Region

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Fundamentals of Medicare Prescription Drug Coverage

Background: The new Medicare prescription drug program, also known as “Medicare Part D,” is not only the largest expansion of the Medicare program in its 40-year history but also represents a fundamental change in Medicare’s relationship with its beneficiaries. Unlike the traditional Medicare program, prescription drug coverage will be provided through private entities, either prescription drug plans established for this purpose or as part of more comprehensive coverage offered through Medicare Advantage managed care plans. In addition, enrollment in Part D will require beneficiaries to affirmatively choose to participate, select and enroll in plans.

There are approximately 400,000 Medicare beneficiaries in Kansas, including about 40,000 who are dually eligible for Medicare and Medicaid benefits. These Kansas beneficiaries can choose from 15 organizations providing 40 distinct plans that offer different monthly premiums, benefit levels, formularies and participating pharmacies. Most beneficiaries who do not sign up during the initial enrollment period of November 15, 2005 to May 15, 2006 will be subject to premium penalties that will raise the cost of their coverage if they choose to enroll at a later date. Extra help in paying for premiums, copays and deductibles is available for dual eligibles and other low-income beneficiaries who apply for this assistance.

How the Plan Affects Beneficiaries:

The Medicare prescription drug program has proven contentious, as issues ranging from the cost of the program, its complexity and the involvement of private plans have caused debate and controversy. Legislation currently pending in Congress includes proposals to change some aspects of the program, from extending the open enrollment period to eliminating the program entirely. Despite the controversy, it’s generally acknowledged that most Medicare recipients will benefit financially from enrolling in the program. Studies have shown that beneficiaries’ average out-of-pocket spending on prescription drugs will be reduced

by the program and low-income beneficiaries who receive extra help in covering program costs will benefit the most.

Outreach and Education: Over the past year, the federal government has engaged in an extensive outreach and education effort, along with agencies at other levels of government and private organizations, to inform Medicare beneficiaries about the new prescription drug benefit. Despite these efforts, however, there is still an enormous amount of confusion surrounding the program. Its complexity and the range of choices that must be made threaten to limit enrollment and thus deny participation to many who could benefit. In addition, education and enrollment of traditionally hard-to-reach populations—the frail elderly, disabled, poor and others—will continue to be a challenge despite the resources devoted to these efforts.

We trust that the information contained in this packet will prove helpful as you assist your constituents in navigating this new program. Our intent is not to make you or your staff experts on this issue but to acknowledge that the program is complex and that resources are available to inform and guide you and your constituents through this new federal program.



What You and Your Constituents Need to Know



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All Medicare beneficiaries are eligible for prescription drug coverage.

- **Initial enrollment.** Unless Congress extends it, the initial enrollment period is November 15, 2005 to May 15, 2006. Coverage begins on January 1, 2006 for those who enroll before this date. For those who enroll on or after January 1, 2006, coverage begins on the first day of the month following enrollment.
- **Annual open enrollment period.** Beneficiaries can change plans each year during the open enrollment period, which will typically run from November through December.

Enrollment is voluntary. Beneficiaries are not required to sign up if they do not wish to receive this benefit.

- **Creditable coverage.** Beneficiaries who already have prescription drug coverage through an employer or union retirement plan can elect to keep their current coverage instead of enrolling in Medicare's prescription drug plan. The current plan must notify the beneficiary whether it is "creditable" or considered at least as good as the standard Medicare prescription drug plan.
- **Late enrollment penalty.** Beneficiaries who do not sign up during the initial enrollment period and choose to enroll at a later date will be charged a "premium penalty" of 1 percent per month for each month they are not enrolled. Beneficiaries with creditable coverage may enroll later with no penalty if their current coverage changes.
- **Dual eligibles.** Kansans who are eligible for both Medicare and Medicaid will be automatically enrolled in a Medicare prescription drug plan if they do not self-enroll by December 31, 2005. The Medicaid program will no longer cover prescription drug costs for these "dual eligibles."

There are many options. Coverage is provided through private plans, and beneficiaries must choose to enroll in a particular plan.

- **Choices.** In Kansas, there are 40 distinct plan choices and the details of each, such as costs, participating pharmacies and which drugs they cover, varies.
- **Enrollment is not automatic.** Unlike the regular Medicare program, enrollment in a prescription drug plan for most beneficiaries is not automatic. Beneficiaries must decide whether to enroll and choose from among many competing plans.
- **Medicare Advantage Plans.** Prescription drug coverage may be provided by Medicare Advantage plans, which are similar to managed care plans and also cover doctor and hospital care. Medicare Advantage plans are alternatives to the "regular" Medicare program, and beneficiaries must enroll in them.

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What You and Your Constituents Need to Know

Cost. The cost of Medicare prescription drug coverage is comprised of monthly premiums, deductibles and copayments and is different for each plan. All plans must provide at least a basic level of coverage (described below).

- **Monthly premium** – For the 40 plans available in Kansas, monthly premiums range from \$9.48 to \$67.88. The monthly premium for drug coverage is in addition to the premium that beneficiaries now pay for Medicare Part B. Beneficiaries can choose to have the drug premium deducted from their Social Security checks or pay the plan directly.
- **Annual deductible** – In 2006, the maximum deductible is \$250.
- **Initial coverage** – After the first \$250 in drug costs, the plan covers 75 percent of the next \$2,000 and the beneficiary pays 25 percent.
- **Coverage Gap** – After initial coverage, plans are not required to cover the next \$2,850 in drug costs (this gap is often referred to as the “donut hole”).
- **Catastrophic Coverage** – For drug costs above the coverage gap, the plan covers 95 percent of costs and the beneficiary pays a maximum of 5 percent. There is no limit to the amount of catastrophic coverage provided.
- **Financial assistance is available.** For seniors who qualify due to limited income and assets, financial assistance is available. Beneficiaries must apply for this “extra help” through the Social Security Administration. Applying for extra help, however, is not the same as enrolling in a prescription drug plan. Those who apply for financial assistance must also directly enroll in a plan.

Deciding whether to enroll. The choice of whether to enroll in a Medicare prescription drug plan is an individual one and will vary from person to person.

- Most Medicare recipients will benefit financially from enrolling.
- Beneficiaries should consider their current prescription drug needs and their future needs in deciding whether to enroll. Even if a senior does not currently take any prescription drugs, it is likely that he/she will need such drugs in the future. Like any insurance plan, the Medicare prescription drug program provides coverage against high costs if and when it is needed.

Choosing a plan. All potential participants should choose plans that best meet their needs.

- **Assistance is available.**
 - ▶ The Medicare Web site at www.medicare.gov contains plan comparisons and other tools to help beneficiaries choose the plan that best fits their needs. These same tools are available by calling Medicare’s toll-free number at 1-800-MEDICARE (1-800-633-4227).
 - ▶ This Resource Guide contains information and listings of organizations throughout Kansas that have trained personnel available to assist Medicare beneficiaries in choosing and enrolling in a prescription drug plan.

How to enroll. A beneficiary has several options.

- **Telephone.** Enrollment by phone is available at 1-800-MEDICARE.
- **Online.** Enrollment is available online at www.medicare.gov.
- **Direct contact.** A beneficiary may enroll by directly contacting a plan at the phone number or Web site provided with the plan’s marketing materials. Plan phone numbers are also available on the Medicare Web site or through Medicare’s toll-free number.

The Standard Medicare Prescription Drug Benefit



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At-A-Glance

Prescription Drug Spending	Plan Pays	Beneficiary Pays
\$0–\$250	\$0	Up to \$250 deductible
\$250–\$2,250	75% of drug costs – up to \$1,500	25% of drug costs – up to \$500
\$2,250–\$5,100 (coverage gap/ “donut hole”)	0% of drug costs – \$0	100% of drug costs – up to \$2,850
Subtotal:	Up to \$1,500	Up to \$3,600 out-of-pocket
More than \$5,100 (Catastrophic Benefit)	95%	5% or \$2 copay per generic drug or \$5 copay per brand name drug

Note: Premium costs are not included in this chart. The beneficiary will pay monthly premiums, therefore, in addition to the amounts shown on the chart. These premiums range from \$9.48 per month to \$67.88 per month for plans available in Kansas.

Adapted from: AARP, *The New Medicare Prescription Drug Coverage: What You Need to Know*, 2005

Plans Approved for Kansas by the Centers for Medicare and Medicaid Services

* The beneficiary drug premium covers prescription drugs only and does not cover medical or hospital benefits. Beneficiaries are also responsible for their Part B premium and any premiums for Medigap coverage to meet their individual needs.

Includes contracts/plans approved as of October 10, 2005. The data does not reflect information for PACE organizations, Employer sponsored plans, or plans that were not approved by the "As of" date of the chart.

Description		Cost					Coverage			Convenience	
Organization Name	Plan Name	Beneficiary Total Drug Plan Premium*	No Premium with Full Low Income Subsidy	Drug Deductible			Includes Tiered Copayments for Drugs	Type of Additional Coverage Offered in Drug Coverage Gap		Number of Top 100 Drugs on Formulary	Mail Order Offered
				Zero	Reduced	Standard (\$250)		Generics Only	Generics and Brands		
Aetna Medicare	Aetna Medicare Rx Essentials	\$34.97				•	•			85	•
	Aetna Medicare Rx Plus	\$45.04		•			•	•		85	•
	Aetna Medicare Rx Premier	\$60.83		•			•	•		97	•
Blue Cross and Blue Shield of Kansas; Kansas City	Blue MedicareRx Value	\$21.09	•			•	•			88	•
	Blue MedicareRx Plus	\$28.88		•			•			88	•
	Blue MedicareRx Premier	\$35.91		•			•	•		96	•
CIGNA HealthCare	CIGNATURE Rx Value Plan	\$34.27				•	•			99	•
	CIGNATURE Rx Plus Plan	\$39.52		•			•			99	•
	CIGNATURE Rx Complete Plan	\$47.22		•			•	•		99	•
Coventry AdvantraRx	AdvantraRx Value	\$21.20		•			•			74	•
	AdvantraRx Premier	\$33.13		•			•			98	•
	AdvantraRx Premier Plus	\$45.29		•			•			98	•
Humana Inc.	Humana PDP Standard S5884-082	\$9.48	•			•	•			97	•
	Humana PDP Enhanced S5884-022	\$15.07		•			•			97	•
	Humana PDP Complete S5884-052	\$54.20		•			•		•	97	•
Medco Health Solutions, Inc.	YOURx PLAN	\$32.34	•			•	•			94	•
MEMBERHEALTH	Community Care Rx BASIC	\$30.41	•			•	•			90	
	Community Care Rx CHOICE	\$38.49				•	•			90	
	Community Care Rx GOLD	\$42.42			•		•			90	
PacifiCare Life and Health Insurance Company	PacifiCare Saver Plan	\$29.30	•	•			•			77	•
	PacifiCare Select Plan	\$43.51		•			•			86	•
	PacifiCare Comprehensive Plan	\$48.06		•			•	•		77	•
Prescription Pathway	Prescription Pathway Bronze Plan Reg 24	\$30.60	•			•	•			89	•
	Prescription Pathway Silver Plan Reg24	\$39.97				•	•			89	•
	Prescription Pathway Silver Plan Reg 24	\$40.05				•	•			89	•
	Prescription Pathway Gold Plan Reg 24	\$51.25		•			•			89	•
	Prescription Pathway Gold Plan Reg 24	\$51.31		•			•			89	•
	Prescription Pathway Platinum Plan Reg 24	\$67.88		•			•			97	•
SilverScript	SilverScript	\$28.90	•			•	•			90	•
	SilverScript Plus	\$57.56			•		•			95	•
Sterling Plus Rx	Sterling Prescription Drug Plan	\$53.83			•		•			95	•
Unicare	Medicare RX Rewards	\$21.09	•			•	•			88	•
	Medicare RX Rewards Plus	\$28.88		•			•			88	•
	Medicare RX Rewards Premier	\$37.62		•			•	•		96	•
United American Insurance Company	UA Medicare Part D Prescription Drug Cov	\$36.07		•			•			94	•
United Healthcare	AARP MedicareRx Plan	\$29.16	•	•			•			97	•
	United Medicare MedAdvance	\$31.56	•	•			•			97	•
WellCare	WellCare Signature	\$26.64	•	•			•			87	•
	WellCare Complete	\$45.66		•			•			84	•
	WellCare Premier	\$48.81		•			•			84	•



Four Important Issues



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Dual Eligibles

What is a dual eligible? Dual eligibles are people who are eligible for both the Medicare and Medicaid programs (i.e., age 65+ or disabled and poor).

- There are approximately 40,000 dual eligibles in Kansas.
- They typically have income of less than \$10,000 a year and often have serious chronic health issues, such as diabetes, dementia or severe mental illness.

Current coverage for dual eligibles. Prescription drug costs for dual eligibles are currently covered by the Medicaid program. Effective January 1, 2006, Medicaid will no longer cover prescription drugs for this population, and responsibility will shift to the new Medicare prescription drug program.

Enrollment. Dual eligibles must enroll in a Medicare prescription drug plan by December 31, 2005, or they will be automatically assigned to a plan.

- The time frame for selecting a plan is much shorter for dual eligibles than for other Medicare beneficiaries. While other beneficiaries have the entire six-month open enrollment period to decide, dual eligibles must select a plan within six weeks or they will be automatically enrolled.
- Selection of plans for automatic enrollment is random; plans are not screened to ensure that they are appropriate for the particular beneficiary.
- Dual eligibles may change plans on a monthly basis.
- All dual eligibles qualify for extra help in paying for Medicare prescription drug coverage.

Important issues. Dual eligibles are a particularly vulnerable population and may be difficult to reach through normal education and outreach efforts. Key issues to be aware of include:

- The Centers for Medicare and Medicaid Services will notify dual eligibles by mail of automatic enrollment, but some may not receive or understand these notices.
- Dual eligibles may be enrolled in plans that do not cover the medications they need or that were previously covered under Medicaid.
- Dual eligibles are more likely than other Medicare beneficiaries to experience transition issues, such as understanding a drug plan's prior authorization requirements, securing physicians' help in rewriting prescriptions to match drugs covered by new plans or securing exceptions in cases in which drugs they need are not covered by plans.
- These issues are particularly important because dual eligibles will lose their Medicaid coverage at the same time their Medicare coverage begins.



Four Important Issues

Plan Selection

Costs

Total plan costs are comprised of:

- **Monthly premium.** Monthly premiums vary from plan to plan. Beneficiaries should be aware of the various premium options and what additional benefits are provided in exchange for higher premium costs.
- **Deductible.** The standard deductible is \$250, but lower deductible and no deductible options are available. There may be tradeoffs, such as higher premiums, in exchange for lower deductibles.
- **Copayments.** Most plans require copayments, and there may be different copayment levels (or tiers) depending on the drug. For example, beneficiaries may pay less for generic drugs than brand name drugs or some brand names may have lower copays than other brand names.

Beneficiaries who are currently covered by another prescription drug plan, such as an employer or union retirement plan, supplemental or Medigap policy, or veterans' or military retirement plan, should compare the costs of their existing plan to the costs of participating in a Medicare drug plan.

Some beneficiaries are eligible for "extra help" or financial assistance that will reduce the costs of participating in the Medicare prescription drug plan.

Benefits and Coverage

All plans provide a basic uniform benefits package, but some plans provide additional benefits, such as payment for drugs during the coverage gap (or donut hole). There may be tradeoffs, such as higher premiums, in exchange for additional coverage.

Different plans cover different drugs. Beneficiaries should determine whether the plan formulary includes the particular drugs, at the proper strengths and dosages, that they currently take or are likely to need.

Beneficiaries who are currently covered by another prescription drug plan should determine how their current coverage compares to the coverage available from a Medicare drug plan.

Convenience

Different plans use different pharmacies. Beneficiaries should determine whether a plan's network includes the pharmacies that they use. There may also be price differentials among different pharmacies in the network.

Some plans offer a mail order option. Beneficiaries who choose this option should be comfortable receiving their prescriptions through mail order and should understand whether it covers the right drugs in the correct dosages and if there is a price differential for using mail order.

Some plans employ utilization management tools to control the use of prescriptions, such as requiring prior authorization before particular drugs may be prescribed, requiring that certain medications be tried before those prescribed by the beneficiary's physician (often referred to as "step therapy"), or using tiered cost sharing in which there are different copays for generics and brand names.



Four Important Issues

Extra Financial Help

Extra help paying for drugs. Financial assistance or “extra help” in paying for participation in the Medicare prescription drug program is available to Medicare beneficiaries with limited income and resources.

Qualifying for extra help. People in the following groups qualify for extra financial help:

- Medicare beneficiaries who currently receive Medicaid (dual eligibles) or SSI will pay no premium or deductible for Medicare drug coverage. Their only costs under the program will be copayments for each prescription of \$1 or \$2 for generic drugs and \$3 or \$5 for brand name drugs. There will be no costs for catastrophic coverage.
- Medicare beneficiaries with 2005 income of no more than \$12,919 (or \$17,320 for a married couple living together) and assets (including savings and stocks but not including a home or car) of no more than \$7,500 (or \$12,000 for a couple) will pay no premium or deductible for Medicare drug coverage. Their only costs under the program will be copayments for each prescription of \$2 for generic drugs and \$5 for brand name drugs. There will be no costs for catastrophic coverage.
- Medicare beneficiaries with 2005 income of no more than \$14,355 (or \$19,245 for a couple) and assets of no more than \$11,500 (or \$23,000 for a couple) will pay a monthly premium of \$0-\$35 depending on income, an annual deductible of \$50, 15 percent of the cost of each prescription, and \$2 or \$5 for each prescription at the catastrophic coverage level.

Applying for extra help. Medicare beneficiaries in the first group at left (dual eligibles and SSI recipients) automatically qualify for extra help. All others must apply for extra help through the Social Security Administration (SSA), by telephone at 1-800-772-1213, online at www.socialsecurity.gov or in person at a local SSA office (local SSA offices are listed in the “Where to Go for Help and Information by Region” pages of this Resource Guide).

- SSA will notify applicants of whether they qualify for extra help. Beneficiaries have the right to appeal an adverse decision.
- The amount of extra help will depend on the beneficiary’s income and assets.
- Beneficiaries who apply for extra help must still enroll in a prescription drug plan. Application to SSA for financial assistance does not constitute enrollment in a plan.



Four Important Issues

Avoiding Scams

Check the list of Medicare-approved prescription drug plans. Only plans that meet specific federal standards and are approved by the Centers for Medicare and Medicaid Services (CMS) may offer prescription drug coverage to Medicare beneficiaries. A list of CMS-approved plans that are available in Kansas is provided in this Resource Guide or by contacting CMS online at www.medicare.gov or by phone at 1-800-MEDICARE (1-800-633-4227).

Enrollment in a Medicare prescription drug plan is voluntary. Beneficiaries are not required to sign up for prescription drug coverage and whether they enroll will not affect their other Medicare benefits.

The Social Security Administration (SSA) or CMS will not call and ask for personal information. Nobody from SSA or CMS will call a beneficiary unsolicited and ask for bank account, credit card or other personal information. The only time someone calling from SSA will ask for a beneficiary's Social Security number is if the beneficiary applied for extra financial help and the number written on the application is not correct.

There are strict rules for how Medicare prescription drug plans can be marketed.

- Representatives of companies or organizations marketing Medicare drug plans may not come to a beneficiary's home uninvited or send unsolicited e-mails.
- Companies and organizations may call to promote their drug plans but may not enroll people during these calls. They must also obey telemarketing laws—they may not call before 8 a.m. or after 9 p.m., they may not call people whose telephone numbers are on a state or federal "do not call" list, and they may not call people back who have asked not to be called again.

- Companies and organizations marketing Medicare-approved drug plans may not request payment over the telephone or online. A plan must send a bill to those who enroll on the phone or online.

Medicare prescription drug plans should come with no strings attached. Companies and organizations can offer modest prizes or gifts, but not cash, to promote their plans. For example, a beneficiary may receive a modest gift to attend a sales presentation, but it's illegal to require anyone to join a drug plan in order to get a prize or gift.

Suspected scams and over-aggressive marketing should be reported to:

- CMS, at 1-800-MEDICARE (1-800-633-4227); or
- U.S. Department of Health and Human Services Office of Inspector General, by telephone at 1-800-447-8477, by e-mail at HHSTips@oig.hhs.gov or in writing to Inspector General, HHS, Attention: Hotline, 330 Independence Avenue SW, Washington, D.C. 20201; or
- Kansas Insurance Department, by telephone at 1-800-432-2484 or by e-mail at commissioner@ksinsurance.org.

Adapted from: National Consumer League Internet Fraud Watch, *Medicare Rx Plan Scams*, <http://www.fraud.org/tips/internet/medicare.htm>

Important Dates



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May 2005

The Social Security Administration (SSA) begins mailing out and accepting applications for those who need extra help (the low-income subsidy) in paying for the program.

September 2005

Medigap (supplemental) insurance companies send notices to policyholders with prescription drug coverage informing them of their options.

Employers and unions that provide prescription drug coverage to their retirees send notices informing them of their options.

October 2005

Prescription drug plans may begin direct marketing to Medicare beneficiaries.

People with Medicare and Medicaid coverage (dual eligibles) receive information stating that they will be automatically enrolled in a prescription drug plan if they do not choose one on their own by December 31, 2005.

November 2005

Comparative plan information is available at: www.Medicare.com and 1-800-MEDICARE.

November 15, 2005

Enrollment begins.

December 31, 2005

Last day to enroll to receive prescription drug coverage on January 1, 2006.

Last day for dual eligibles to choose a plan before being enrolled in a randomly assigned plan.

January 1, 2006

Coverage begins for those who enrolled in a plan by December 31, 2005.

January-May 2006

Enrollment continues.

May 15, 2006

Enrollment period ends.



Where to Go for Help and Information



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> Centers for Medicare and Medicaid Services (CMS)

What's Available: General information, specific plan information, enrollment

CMS is the federal agency that administers the Medicare prescription drug program. CMS provides information and technical assistance, details on prescription drug plans and plan enrollment.

Web site: www.medicare.gov

Phone: 1-800-MEDICARE

> Social Security Administration (SSA)

What's Available: General information and application for "extra help"

SSA is the federal agency responsible for administering the Social Security program and determining eligibility for "extra help" in paying for the Medicare prescription drug program. SSA provides information, technical assistance and application for extra financial help but does not offer plan enrollment. SSA operates local offices that are listed separately in the regional help section of the Resource Guide.

Web site: www.ssa.gov/prescriptionhelp

Phone: 1-800-772-1213

> Senior Health Insurance Counseling for Kansas (SHICK)

What's Available: General information, individual counseling

SHICK is a federally funded program administered by the Kansas Department on Aging that provides trained community-based volunteers who can offer information, resources and technical assistance on the Medicare prescription drug program and other Medicare issues. Additional details on SHICK are provided in this Resource Guide.

Web site: www.agingkansas.org/shick/shick_index.html

Phone: 1-800-860-5260



Where to Go for Help and Information

State-Based Resources

> Kansas Insurance Department

What's Available: General insurance information, filing of complaints, dispute resolution

The Kansas Insurance Department is the state's primary regulatory agency for insurance companies and insurance products.

Web site: www.ksinsurance.org

Phone: 1-800-432-2484

> Department of Social and Rehabilitation Services (SRS)

SRS administers many of the state's social services programs and operates local offices that have information available on the Medicare prescription drug program and dual eligibles. These offices are listed separately in the regional help section of the Resource Guide.

Web site: www.srskansas.org

Phone: 785-296-3959

> Division of Health Policy and Finance (DHPF)

DHPF administers the Kansas Medicaid and Health-Wave programs and can answer questions regarding dual eligibles and the interaction of Medicare Part D and Medicaid.

Web site: da.state.ks.us/hpf

Phone: 785-296-3981

> Health Care Providers

Many health care providers, particularly pharmacists and physicians, have informational resources available and can provide individual counseling to patients.

> Libraries

Many local libraries have informational resources available. Some libraries also make space available for counselors to meet with Medicare beneficiaries. A directory of library locations is available on the following Web site:

Web site: skyways.lib.ks.us

> Area Agencies on Aging (AAA)

Located in communities across the state, AAAs provide and coordinate services designed to help older adults remain independent and in their homes. Many AAAs provide information and technical assistance resources on the Medicare prescription drug program. Local AAA offices are listed separately in the regional help section of the Resource Guide and on the following Web site:

Web site: www.agingkansas.org/aaa/aaaindex.htm

> Churches/Places of Worship

Some local churches and other places of worship have information available and can provide referrals to other resources and technical assistance.

> Senior Centers

Senior Centers are located in communities throughout the state and provide meals, organized activities and other services for senior citizens. Some Senior Centers have available information and technical assistance resources on the Medicare prescription drug program. A directory of senior center locations is available on the following Web site:

Web site: www.agingkansas.org/seniorcenters/centers.htm

> Community Mental Health Centers (CMHCs)

CMHCs can assist in ensuring that dual eligibles are properly enrolled in an appropriate prescription drug program and have continued access to needed medications through the transition period. CMHCs are located in many communities throughout Kansas. A directory is available on the following Web site:

Web site: www.acmhck.org/BusinessDirectoryll.asp



Where to Go for Help and Information

State-Based Resources (continued)

> Research & Extension Offices

K-State Research & Extension provides agriculture/ education related services in communities throughout Kansas. Some offices have available information and technical assistance resources on the Medicare prescription drug program. Extension offices are located throughout the state and are listed on the following Web site:

Web site: www.oznet.ksu.edu/main/maps.asp

> Kansas Health Consumer Coalition

Organizing and advocacy group for health care consumers offers a program to provide information and technical assistance in local communities.

Phone: 785-233-8483



Where to Go for Help and Information

National Resources

> AARP

AARP is the largest membership/advocacy organization for senior citizens. AARP provides informational materials on the Medicare Prescription Drug Program on its Web site. In addition, a copy of the November 2005 AARP Bulletin titled "Medicare Drug Coverage, The Basics: All Your Questions Answered" is provided in this Resource Guide.

Web site: www.aarp.org/health/medicare/drug_coverage/medicarerx_coverage.html

> Access to Benefits Coalition

A coalition of national voluntary organizations created to ensure that Medicare beneficiaries with limited incomes and resources have adequate information on reducing the costs of prescription drugs. Provides information and technical assistance on its Web site.

Web site: www.accesstobenefits.org

> Eldercare Locator

A service of the U.S. Department on Aging that provides information and referrals, online and over the telephone, to eldercare and technical assistance services available in local communities.

Web site: www.eldercare.gov/Eldercare/Public/medicare.asp

Phone: 1-800-677-1116

> Families USA

Advocacy group for consumers provides program information on its Web site.

Web site: www.familiesusa.org/issues/medicare/rx-drug-center

> Kaiser Family Foundation

Nonprofit foundation that focuses on health care issues. Provides resources and information on its Web site.

Web site: www.kff.org/medicare/rxdrugbenefit.cfm

> Medicare Access for Patients-Rx

Coalition of patient, family caregiver and health professional organizations provides information, resources, technical assistance and referral to local sources of help on its Web site.

Web site: www.maprx.info

> Medicare Rights Center

Independent agency that provides health care information and assistance to Medicare beneficiaries. Provides information and direct assistance through Web site and telephone hotline.

Web site: www.medicarerights.org

Phone: 212-869-3850

> Medicare Rx Education Network

A group of organizations that has joined together to provide information and education on the Medicare prescription drug program. Web site includes resources, training materials and other information.

Web site: www.medicarerxeducation.org

> My Medicare Matters

Organization sponsored by the National Council on the Aging and the Access to Benefits Coalition that provides information, resources and technical assistance on its Web site and through events in local communities.

Web site: www.mymedicarematters.org

> National Conference of State Legislatures

Provides information on coordination of state pharmaceutical policy to the new Medicare prescription drug program and informational tools specifically designed for state legislators.

Web site: www.ncsl.org



Where to Go for Help and Information

National Resources (continued)

> National Mental Health Association

Membership and advocacy group for users of the mental health system has developed a Medicare Prescription Drug Program workbook.

Web site: www.nmha.org/federal/MedicareConsumerWorkbook.pdf

> Prescription Drug Plans

Medicare-approved prescription drug plans can provide direct marketing and information to Medicare beneficiaries. Contact information for prescription drug plans can be found online at the Medicare Web site (www.medicare.gov) and through the toll-free Medicare telephone number at 1-800-MEDICARE. Plans may also directly provide information to beneficiaries, as long as they comply with federal rules for direct marketing.



Where to Go for Help and Information by Region

Northeast Kansas

Counties: Atchison, Brown, Doniphan, Douglas, Franklin, Jackson, Jefferson, Johnson, Leavenworth, Miami, Nemaha, Osage, Shawnee, Wyandotte

Area Agencies on Aging

> Douglas, Jefferson and Shawnee counties:

Jayhawk Area Agency on Aging
1720 S.W. Topeka Blvd.
Topeka, KS 66612
785-235-1367 or 800-798-1366

> Johnson County

Johnson County Area Agency on Aging
11875 South Sunset, Suite 200
Olathe, KS 66061
(913) 894-8811
humanservices-aging.jocogov.org/AAA.htm

> Leavenworth and Wyandotte counties:

Wyandotte/Leavenworth Area Agency on Aging
Courthouse Annex
9400 State Ave.
Kansas City, KS 66112
913-573-8531 or 888-661-1444
www.wycokck.org/gen/wyco_generated_pages/Area_Agency_on_Aging_m1385.html

> Franklin, Miami and Osage counties:

East Central Kansas Area Agency on Aging
132 South Main
Ottawa, KS 66067
Phone 785-242-7200

> Atchison, Brown, Doniphan and Jackson counties:

Northeast Area Agency on Aging
526 Oregon Street
Hiawatha, KS 66434
785-742-7152 or 800-883-2549
www.nekaaa.org

Social Security Administration

> Social Security Administration

15375 W 95th Street
Lenexa, KS 66219
913-661-9758

> Social Security Administration

850 Nebraska
Kansas City, KS 66101
913-621-0265

> Social Security Administration

1440 Wakarusa Drive, Suite 200
Lawrence, KS 66049
785-843-2254

> Social Security Administration

1201 S.W. Van Buren Street
Topeka, KS 66612
785-295-0100

Department of Social and Rehabilitation Services

> Atchison SRS Office

410 Commercial
Atchison, KS 66002
913-367-5345

> Hiawatha SRS Office

810 Oregon
Hiawatha, KS 66434
785-742-7186

> Kansas City Regional SRS Office

400 State Ave.
Kansas City, KS 66117
913-279-7000



Where to Go for Help and Information by Region

Northeast Kansas (continued)

> Lawrence SRS Office

1901 Delaware
Lawrence KS 66044
785-832-3700

> Leavenworth SRS Office

515 Limit, Suite 100
Leavenworth, KS 66048
913-651-6200

> Lyndon SRS Office

715 Washington
Lyndon, KS 66451
785-828-4491

> Osawatomie SRS Office

616 Brown
Osawatomie, KS 66064
913-755-2162

> Overland Park SRS Office

8915 Lenexa Drive
Overland Park, KS 66214
913-826-7300

> Ottawa SRS Office

2215 South Main
Ottawa, KS 66067
785-229-8600

> Topeka SRS Office

500 S.W. Van Buren
Topeka, KS 66601
785-296-2500



Where to Go for Help and Information by Region

Southeast Kansas

Counties: Allen, Anderson, Bourbon, Chautauqua, Cherokee, Coffey, Crawford, Elk, Greenwood, Labette, Linn, Montgomery, Neosho, Wilson and Woodson

Area Agencies on Aging

> Allen, Bourbon, Cherokee, Crawford, Labette, Montgomery, Neosho, Wilson and Woodson counties:

Southeast Kansas Area Agency on Aging

1 West Ash

Chanute, KS 66720

620-431-2980 or 800-794-2440

> Anderson, Coffey and Linn counties:

East Central Kansas Area Agency on Aging

132 South Main

Ottawa, KS 66067

Phone 785-242-7200

> Chautauqua, Elk and Greenwood counties:

South Central Kansas Area Agency on Aging

304 South Summit

Arkansas City, KS 67005

620-442-0268 or 800-362-0264

www.sckaaa.org

Social Security Administration

> Social Security Administration

2009 North Penn Avenue

Independence, KS 67301

620-331-4080

> Social Security Administration

801 S. Broadway

Pittsburg, KS 66762

620-231-5330

Department of Social and Rehabilitation Services

> Chanute SRS Office

1500 West 7th

Chanute, KS 66720

620-431-5000

> Coffeyville SRS Office

602 Union

Coffeyville, KS 67337

620-251-5750

> Columbus SRS Office

215 East Maple

Columbus, KS 66725

620-429-3014

> Fort Scott SRS Office

108 West 2nd

Fort Scott, KS 66701

620-223-4010

> Garnett SRS Office

504 West Redbud

Garnett, KS 66032

785-448-5459

> Independence SRS Office

200 Arco Place

Independence, KS 67301

620-331-0350

> Iola SRS Office

406 North Buckeye

Iola, KS 66749

620-365-2164

> Parsons SRS Office

400 North 32nd Street

Parsons, KS 67357

620-421-4500

> Pittsburg SRS Office

320 South Broadway

Pittsburg, KS 66762

620-231-5300



Where to Go for Help and Information by Region

North Central Kansas

Counties: Chase, Clay, Cloud, Dickinson, Ellsworth, Geary, Jewell, Lincoln, Lyon, Marion, Marshall, McPherson, Mitchell, Morris, Ottawa, Pottawatomie, Republic, Rice, Riley, Saline, Wabaunsee, Washington

Area Agencies on Aging

> Chase, Clay, Cloud, Dickinson, Ellsworth, Geary, Jewell, Lincoln, Lyon, Marion, Mitchell, Morris, Ottawa, Pottawatomie, Republic, Riley, Saline and Wabaunsee counties:

North Central-Flint Hills Area Agency on Aging
401 Houston
Manhattan, KS 66502
785-776-9294 or 800-432-2703
www.ncfhaaa.com

> Marshall and Washington counties:

Northeast Area Agency on Aging
526 Oregon Street
Hiawatha, KS 66434
785-742-7152
800-883-2549
www.nekaaaa.org

> McPherson and Rice counties:

South Central Kansas Area Agency on Aging
304 South Summit
Arkansas City, KS 67005
620-442-0268 or 800-362-0264
www.sckaaa.org

Social Security Administration

> Social Security Administration

3010 W 18th Ave.
Emporia, KS 66801
620-343-2345

> Social Security Administration

1121 Hudson Ave., Suite A
Manhattan, KS 66503
785-539-4681

> Social Security Administration

1813 South Ohio
Salina, KS 67401
785-825-0545

Department of Social and Rehabilitation Services

> Abilene SRS Office

505 N.W. 3rd Street
Abilene, KS 67410
785-263-4140

> Concordia SRS Office

1501 East 6th Street
Concordia, KS 66901
785-243-4671

> Emporia SRS Office

1701 Wheeler
Emporia, KS 66801
620-342-2505

> Junction City SRS Office

1012 North Jefferson
Junction City, KS 66441
785-762-5445

> Manhattan SRS Office

2709 Amherst
Manhattan, KS 66502
785-776-4011

> Marysville SRS Office

1100 Broadway
Marysville, KS 66508
785-562-5338



Where to Go for Help and Information by Region

North Central Kansas (continued)

> McPherson SRS Office

218 East Kansas
McPherson, KS 67460
620-241-3802

> Salina SRS Office

901 Westchester
Salina, KS 67401
785-826-8000

> Wamego SRS Office

902 West 5th
Wamego, KS 66547
785-456-2057



Where to Go for Help and Information by Region

South Central Kansas

Counties: Barber, Butler, Comanche, Cowley, Edwards, Harper, Harvey, Kingman, Kiowa, Pawnee, Pratt, Reno, Sedgwick, Stafford, Sumner

Area Agencies on Aging

> Butler, Harvey and Sedgwick counties:

Central Plains Area Agency on Aging
510 North Main
Wichita, KS 67203
316-660-5120 or 800-367-7298

> Cowley, Harper, Kingman, Reno and Sumner counties:

South Central Kansas Area Agency on Aging
304 South Summit
Arkansas City, KS 67005
620-442-0268 or 800-362-0264
www.sckaaa.org

> Barber, Comanche, Edwards, Kiowa, Pawnee, Pratt and Stafford counties:

SouthWest Kansas Area Agency on Aging
240 San Jose Drive
Dodge City, Kansas 67801
620-225-8230
www.swkaaa.org

Social Security Administration

> Social Security Administration

811 E. 30th Ave., Suite A
Hutchinson, KS 67502
620-663-8341

> Social Security Administration

8533 E. 32nd Street, North
Wichita, KS 67226
316-636-5884

Department of Social and Rehabilitation Services

> El Dorado SRS Office

410 North Havenville
El Dorado, KS 67042
316-321-4200

> Greensburg SRS Office

117 North Main
Greensburg, KS 67054
620-723-3321

> Hutchinson SRS Office

600 Andrew
South Hutchinson, KS 67505
620-663-5731

> Newton SRS Office

411 Washington
Newton, KS 67114
316-283-3015

> Pratt SRS Office

802 South Main
Pratt, KS 67124
620-672-5955

> Wellington SRS Office

1116 West 8th
Wellington, KS 67152
620-326-7439

> Wichita Regional SRS Office

230 East William
Wichita, KS 67202
316-337-6314

> Winfield SRS Office

1809 South Main
Winfield, KS 67156
620-221-6400



Where to Go for Help and Information by Region

Northwest Kansas

Counties: Barton, Cheyenne, Decatur, Ellis, Gove, Graham, Greeley, Lane, Logan, Ness, Norton, Osborne, Phillips, Rawlins, Rooks, Rush, Russell, Scott, Sheridan, Sherman, Smith, Thomas, Trego, Wallace, Wichita

Area Agencies on Aging

> Cheyenne, Decatur, Ellis, Gove, Graham, Logan, Norton, Osborne, Phillips, Rawlins, Rooks, Russell, Sheridan, Sherman, Smith, Thomas, Trego and Wallace counties:

NorthWest Kansas Area Agency on Aging
301 West 13th Street
Hays, Kansas 67601
785-628-8204 or 800-432-7422

> Great Bend SRS Office

1305 Patton Road
Great Bend, KS 67530
620-792-5324

> Hays SRS Office

3000 Broadway
Hays, KS 67601
785-628-1066

> Barton, Greeley, Lane, Ness, Rush, Scott and Wichita counties:

SouthWest Kansas Area Agency on Aging
240 San Jose Drive
Dodge City, Kansas 67801
620-225-8230
www.swkaaa.org

> Phillipsburg SRS Office

111 E. Hwy. 36
Phillipsburg, KS 67661
785-543-5258

Social Security Administration

> Social Security Administration

1212 E. 27th Street
Hays, KS 67601
785-625-3496

Department of Social and Rehabilitation Services

> Colby SRS Office

1135 South Country Club Drive, Suite 1
Colby, KS 67701
785-462-6760

> Goodland SRS Office

104 West HWY 24
Goodland, KS 67735
785-899-5661



Where to Go for Help and Information by Region

Southwest Kansas

Counties: Clark, Finney, Ford, Grant, Gray, Hamilton, Haskell, Hodgeman, Kearny, Meade, Morton, Seward, Stanton, Stevens

Area Agency on Aging

> SouthWest Kansas Area Agency on Aging

240 San Jose Drive
Dodge City, Kansas 67801
620-225-8230
www.swkaaa.org

Social Security Administration

> Social Security Administration

200 Fourth Circle
Dodge City, KS 67801
620-227-8591

Department of Social and Rehabilitation Services

> Dodge City SRS Office

1509 Avenue P
Dodge City KS 67801
620-227-8508

> Garden City SRS Office

1710 Palace Drive
Garden City, KS 67846
620-272-5800

> Liberal SRS Office

615 North Kansas
Liberal, KS 67901
620-626-3700



Senior Health Insurance Counseling for Kansas (SHICK)



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www.khi.org



Senior Health Insurance
Counseling for Kansas
Kansas Department on Aging

Senior Health Insurance Counseling for Kansas (SHICK) is a free program offering older Kansans an opportunity to talk with trained, community volunteers and get answers to questions about Medicare and other insurance issues. SHICK provides you with many resources that will help you with your struggle through the Medicare maze.

1-800-860-5260

Program Description: The Senior Health Insurance Counseling for Kansas (SHICK) program, administered by the Kansas Department on Aging, uses the services of more than 300 volunteers, working through 16 regional sponsoring organizations and two call centers across the state, to help Kansans better understand their Medicare benefits. SHICK counselors provide information and assistance with the new Medicare prescription drug program, Medicare claims and appeals, Medicare supplemental insurance (Medigap) policies, and long-term care financing and options. SHICK counselors also help eligible consumers access the assistance programs offered by pharmaceutical companies to reduce medication costs. SHICK services are available to all Kansas Medicare beneficiaries and are provided at no cost to the beneficiary.

Funding: SHICK is funded by a grant from the Centers for Medicare and Medicaid Services (CMS). CMS provided \$288,280 in funding in grant year 2005.

Outcomes and Trends: During the 2005 grant year, SHICK counselors provided 12,663 hours of direct counseling and information services to 17,366 Kansans, increases of more than 25 percent over the previous year. These services helped Kansas Medicare beneficiaries save nearly \$6 million.

Also during 2005, SHICK presented 393 education programs to the public and provided education and counseling opportunities at 36 health and senior fairs across the state. SHICK expanded its outreach network over the course of the year, partnering with more than 200 new organizations to offer education to providers and beneficiaries.

In preparation for the new Medicare prescription drug program, SHICK has focused resources on outreach efforts to educate consumers and providers. SHICK has provided program training to a variety of government agencies and community-based organizations, including the Kansas Long-Term Care Ombudsman's office, Kansas Department of Social and Rehabilitation Services (SRS) staff, U.S. Department of Housing and Urban Development (HUD) housing managers, Kansas State Extension Service agents, Older Kansans Information and Referral Services Association (OKIRSA) members, National Alliance on Mental Illness (NAMI) delegates, Kansas Association of Homes and Services for the Aging (KAHSA) members, Kansas Department on Aging (KDOA) staff and Indian Health Services (IHS) Tribal Council members.

In the past year, 157 people have completed SHICK's 24-hour Initial Training course to be certified as SHICK counselors. Another 234 people have completed the 12-hour Update Training to maintain their SHICK certification.



More Funds Sought for Kansas Medicare Counseling Effort



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Update: National reports have indicated that despite a significant increase in federal funding, state insurance counseling programs are being overwhelmed by seniors seeking help enrolling in the new Medicare prescription drug program.

In anticipation of the increased demand for counseling services during the November 15, 2005, to May 15, 2006, enrollment period, the Centers for Medicare and Medicaid Services (CMS) increased funding for state counseling programs from \$12 million to nearly \$32 million.

As a result, the operating grant of the Kansas Department on Aging Senior Health Insurance Counseling of Kansas (SHICK) program was increased from approximately \$230,000 to \$345,812.

To further increase the capacity of the largely volunteer network operated by the SHICK program, Gov. Kathleen Sebelius on Jan. 4, 2006, recommended an additional \$500,000 in state funding. If approved by the Legislature in the 2006 session, the proposed increase would push total funding for the counseling program to \$845,812.

Approximately 400,000 Kansas Medicare beneficiaries—seniors and persons with disabilities—are eligible to participate in the new prescription drug program. Department on Aging officials have said the additional funds would be used to increase the number of phone lines at counseling centers and to train more volunteer counselors.

In addition to SHICK, the following members of the counseling network would receive additional funding under the governor's proposal:

Butler County Extension Service, El Dorado
Central Plains Area Agency on Aging, Wichita
Douglas County Senior Services, Lawrence
East Central Kansas Area Agency on Aging, Ottawa
Harvey County Extension Service, Newton
Jayhawk Area Agency on Aging, Topeka
Johnson County Area Agency on Aging, Olathe
LULAC Senior Center, Topeka
North Central-Flint Hills Area Agency on Aging, Manhattan
Northeast Kansas Area Agency on Aging, Hiawatha
Northwest Kansas Area Agency on Aging, Hays
Sedgwick County Extension Service, Wichita
South Central Kansas Area Agency on Aging, Arkansas City
Southeast Kansas Area Agency on Aging, Chanute
Southwest Kansas Area Agency on Aging, Dodge City
Stormont-Vail Resource Center, Topeka
Wyandotte/Leavenworth Area Agency on Aging, Kansas City



Update: Officials working to fix glitches in Medicare drug program



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www.khi.org

What they said:

"We are going to solve this problem. We are not going to leave anyone stranded."

—U.S. Health and Human Services Secretary Mike Leavitt

"We're still seeing claims rise every day. We are hopeful that maybe we're seeing the peak, but each day the claims have been rising."

—Gov. Kathleen Sebelius

"We shouldn't be surprised. It's a huge program. We just have to keep the pressure on and make sure we get the problems solved."

—Insurance Commissioner Sandy Praeger

Thursday, Jan. 26 — U.S. Health and Human Services Secretary Mike Leavitt was in Kansas Thursday to affirm that the federal government will reimburse the state for the cost of providing medicines to citizens who so far have been unable to obtain them through the new Medicare prescription drug program.

Gov. Kathleen Sebelius, who participated in a joint news conference with Leavitt, said the state had incurred more than \$2 million in costs so far filling more than 28,000 prescriptions for more than 10,000 Kansans.

Most of the people who have experienced problems are so-called dual eligibles —approximately 40,000 low-income and disabled Kansans who previously received their prescription drugs through the Medicaid program. Those individuals were automatically enrolled on Jan. 1 in one of the 40 Medicare drug plans being offered in Kansas. But recordkeeping errors and other system glitches prevented many of them from obtaining their prescriptions.

The dual eligible population is a relatively small portion of the more than 400,000 Kansas Medicare beneficiaries who are eligible for the prescription drug program. People are classified as dual eligible when they are both low-income and elderly or disabled. Individuals who are not classified as dual eligibles have until May 15, 2006, to enroll in a plan. But several governors, including Gov. Sebelius, and many members of Congress have called for an extension of the enrollment deadline.

Commissioner seeking regulatory authority

State Insurance Commissioner Sandy Praeger is urging the Legislature to approve a bill requiring private companies offering Medicare prescription drug plans in Kansas to register with her office so that it can help with consumer complaints. She said most of the 16 companies offering plans are currently under her department's jurisdiction, but at least five are not. Praeger's bill, SB-405, is scheduled for an initial hearing Tuesday, Jan. 31, at 9:30 a.m. in the Senate Financial Institutions and Insurance Committee.

Additional funds sought for counseling

To bolster the capacity of the largely volunteer network of counselors helping Medicare beneficiaries choose a plan, Gov. Sebelius has proposed a \$500,000 increase in funding for the program. If the Legislature approves, funding would increase from \$345,812 to \$845,812. The program is administered by the Senior Health Insurance Counseling of Kansas (SHICK) office in the Department on Aging.



Bill to register Medicare drug plans moves forward

Feb. 7, 2006



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The Kansas Health

Institute is an independent, nonprofit health policy and research organization based in Topeka, Kansas. Established in 1995 with a multi-year grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.

www.khi.org

Number three in a series of updates to the Legislator's Resource Guide.

The Senate Financial Institutions and Insurance Committee today advanced to the full Senate a measure aimed at increasing the state insurance department's ability to deal with consumer complaints about the new Medicare prescription drug program. The committee recommended the passage of Senate Bill 405, which requires private companies offering competing plans to register with the department.

Insurance Commissioner Sandy Praeger said five of the 16 companies selling Medicare drug plans in Kansas aren't under her department's jurisdiction. And in testimony to the committee last week, Praeger said her office was having difficulty helping frustrated consumers because it couldn't get responses from some of the federally regulated companies doing business in Kansas.

"We're being told by companies that they don't have to answer our questions," Praeger said.

Praeger said she isn't certain the registration bill will make the companies more responsive because the federal law that created the Medicare prescription drug program is vague about who has authority to intervene on behalf of consumers.

"But this is about as far as we can go," she said.

Praeger introduced the bill partially in response to problems that thousands of Kansans had in getting their initial Medicare prescriptions filled. Most of those affected by recordkeeping errors and other glitches in the new system were so-called dual eligibles—approximately 40,000 low-income and disabled Kansans who previously received their prescriptions through the state-administered Medicaid program, but who were automatically enrolled in one of the new Medicare plans on Jan. 1.

Gov. Kathleen Sebelius responded to the emergency by directing state Medicaid officials to continue providing medications to Kansas dual-eligibles while federal officials work to solve the problems with their system. To date, the state has spent more than \$3.3 million filling 48,698 prescriptions for 13,864 Kansans.

During a recent appearance in Topeka, U.S. Health and Human Services Secretary Mike Leavitt pledged to reimburse Kansas and other states for those costs.

Approximately 400,000 Kansas Medicare beneficiaries are eligible for the prescription drug benefit. All but the dual-eligibles have until May 15, 2006, to enroll.



State stops emergency Medicare prescription payments

Update No. 4 • Feb. 16, 2006



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www.khi.org



The Kansas Department on Aging uses public and private resources to improve the security, dignity and independence of Kansas seniors, their families, seniors' caregivers and all Kansans living in adult care homes.

www.agingkansas.org

Some low-income and disabled Kansans continue to have problems getting their prescriptions filled under the new Medicare drug program, but the system is improving. The improvement comes as a federal pledge to reimburse states for providing emergency prescriptions is expiring.

On Jan. 13, Gov. Kathleen Sebelius authorized the Division of Health Policy and Finance (DHPF) to pay for prescription drugs on an emergency basis for Medicare beneficiaries who were unable to obtain them through the federal program. In turn, the federal government promised to reimburse the state for those expenditures through Feb. 15.

As of the Wednesday deadline, the state had filled 51,341 emergency prescriptions for 14,248 individuals at a cost of nearly \$3.5 million, according to DHPF records.

Those who received the state help are known as dual eligibles—approximately 40,000 Kansans who are both low-income and elderly or disabled. They previously received prescription drugs through the state Medicaid program. Dual eligibles were automatically enrolled on Jan. 1 in one of the 40 Medicare drug plans operating in Kansas but record-keeping errors prevented many from making a smooth transition to the new program.

Anticipating the end of the reimbursement period, DHPF last week reactivated an electronic edit in the state Medicaid system that automatically rejected claims from dual-eligibles. However, the division also provided pharmacists with an emergency override form that could be submitted as a last resort.

The state received only 12 override requests despite rejecting 2,143 claims for \$224,601 since the edit was reactivated, according to DHPF records. Medicaid Director Scott Brunner said the small number of requests coupled with the fact that all were settled without the state having to pay indicates the situation is improving.

"It appears they are working better," Brunner said of the claims systems operating under the supervision of the federal Centers for Medicare and Medicaid Services (CMS).

U.S. Health and Human Services Secretary Mike Leavitt said this week that the percentage of dual eligibles still having problems had dropped to about 5 percent. During a Jan. 26 visit to Kansas, Leavitt estimated that nationwide 25 percent of dual eligibles were having difficulty obtaining their prescriptions.

Registration bill advances

The Kansas Senate on Wednesday approved and sent to the House a bill that would require all companies operating Medicare prescription drug plans in the state to register with the Kansas Insurance Department. The vote on SB-405 was 39 to 0.

Insurance Commissioner Sandy Praeger said she is hopeful that passage of the bill would give the insurance department standing to intervene on behalf of frustrated consumers. But she has acknowledged it could be difficult for the state to carve out a consumer protection role in the federally regulated program.

Moran pushing for changes in Medicare prescription drug program

Update No. 5 • Feb. 17, 2006



KANSAS
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The Kansas Health Institute is an independent, nonprofit health policy and research organization based in Topeka, Kansas. Established in 1995 with a multi-year grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.

www.khi.org



The Kansas Department on Aging uses public and private resources to improve the security, dignity and independence of Kansas seniors, their families, seniors' caregivers and all Kansans living in adult care homes.

www.agingkansas.org

Kansas 1st District Congressman Jerry Moran said today that he has introduced legislation to extend the May 15 enrollment deadline for the Medicare prescription drug program to Dec. 31. Moran's bill—HR 4796—also would provide an additional \$200 million for organizations counseling Medicare beneficiaries and require prescription drug plans to register with state regulators.

Moran discussed the measure Friday at a Statehouse news conference in Topeka. The Republican congressman said he believes many of the state's approximately 400,000 eligible Medicare beneficiaries shouldn't suffer a financial penalty if they need more time to choose from among the 40 plans being marketed in Kansas by private companies.

"The pressure is on to do something," said Moran, one of a growing number of members urging changes in the drug program after hearing complaints from constituents.

Moran said he supports making changes to improve the functioning of the drug program even though he voted against it because of its projected \$724 billion cost through 2015.

The congressman said he proposed the registration requirement to ensure that consumers would have someplace to go with complaints. The requirement mirrors state legislation introduced by Kansas Insurance Commissioner Sandy Praeger.

The Kansas Senate earlier this week unanimously approved Praeger's bill—SB 405—and it is awaiting consideration in the House. But Praeger said she isn't certain the Kansas measure is enforceable if Congress doesn't authorize state regulators to play a consumer protection role in the federally regulated program.

"It is really important that we have the opportunity to intervene on behalf of our consumers," Praeger said, adding that some Medicare prescription drug companies now operating in Kansas have refused to respond to consumer representatives in her department.

Mark McClellan, administrator of the Centers for Medicare and Medicaid Services (CMS) told members of Congress this week that approximately 24 million of the 43 million people eligible for the prescription drug benefit had enrolled in the program. More than 6 million of those were automatically enrolled in January because they were dual-eligibles—low-income seniors, some of whom are also disabled, who previously received their prescription drugs through state Medicaid programs.

A poll released Friday by the Kaiser Family Foundation reported that 45 percent of seniors surveyed said they either had enrolled or planned to enroll in a Medicare drug plan, 29 percent said they didn't intend to sign up, and another 23 percent said they were uncertain.

To ensure that those who want to enroll get the counseling assistance they need, Moran is proposing to increase funding for a nationwide counseling network that in Kansas is operated by the Senior Health Insurance Counseling of Kansas (SHICK) office in the Department on Aging.

Gov. Kathleen Sebelius included an additional \$500,000 in her budget for the largely volunteer network, increasing its funding to approximately \$845,000. It's not clear how much of the additional funding proposed by Moran would be available to Kansas.