Oklahoma Medicaid Pharmacy Update

Pharmacy Help Desk Telephone Number 405-271-6349 or 1-800-831-8921
Email: **medicaidrx@ohca.state.ok.us** OHCA Website **www.ohca.state.ok.us**

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Dear Pharmacy Provider,

Medicare Part D Prescription Drug Benefit

In the next several months, many of your patients will be receiving information about the new Medicare Part D Prescription Drug Benefit. We know that your patients will turn to you for answers about their prescription benefit and we want to share with you some resources for information about the Part D benefit.

The Centers for Medicare and Medicaid Services (CMS) have a webpage devoted to the needs of providers with respect to the Part D benefit. This webpage may be accessed at http://www.cms.hhs.gov/medicarereform/pdbma/provider.asp.

Provider associations, such as the Oklahoma State Medical Association and the Oklahoma Pharmacists Association, as well as their national counterparts, are also great resources for learning about the new Part D benefit.

For those patients who are eligible for both Medicare and Medicaid, their prescription coverage will be provided by Medicare instead of Medicaid beginning January 1, 2006. This will be a significant change for them and for you. Each patient will be able to select a Prescription Drug Plan (PDP) from at least two plans available in our region.

Oklahoma Medicaid will continue to provide limited coverage for those drugs not included in Part D, such as Claritin-OTC, Prilosec-OTC, and the benzodiazepines. Patients eligible for both Medicare and Medicaid will begin receiving letters from CMS in the latter part of May and into the month of June notifying them about the change in their prescription coverage.

A second group of patients, those who do not qualify for Medicaid, but are low income, will be receiving letters throughout the summer from the Social Security Administration encouraging them to apply for Extra Help with their Medicare prescription drug costs. This subsidy will help them pay the costs of premiums, deductibles, coinsurance, and co-payments. They must apply to receive this help. More information is available at http://www.ssa.gov/organizations/medicareoutreach2. Patients who are eligible for both Medicare and Medicaid will automatically qualify to receive the subsidy.

Medicare-eligible patients who now have some form of private prescription coverage will need to make a decision whether to continue with their current carrier or switch to a Medicare PDP. Their decision will be based on a number of factors including PDP network pharmacy participation and formulary coverage. Unless their current plan is considered actuarially equivalent to the Medicare Part D benefit, they will be subject to a penalty for late enrollment if they do not enroll in Part D at their first available opportunity.

The late enrollment penalty will also apply when a patient who currently has no prescription coverage decides to apply for Part D after their first open enrollment period. The penalty is added to the monthly premium for the remainder of the patient's enrollment in Part D. Patients may call 1-800-MEDICARE for further information.

Thank you for your continued service to Oklahoma's Medicaid clients.