

RxCONNECTOR

A publication of the North Dakota Insurance Department

MANY LOW INCOME BENEFICIARIES RECEIVE NO HELP FROM PAP'S

Many low-income Medicare beneficiaries enrolled in the prescription drug benefit receive no help from patient assistance programs operated by pharmaceutical companies, according to advocacy groups, [USA Today](#) reports. Many pharmaceutical companies ended their PAPs after the Medicare prescription drug benefit began over concerns that the programs could violate federal anti-kickback laws. In response, federal officials said that pharmaceutical companies can legally operate PAPs under certain conditions. **PAPs operated by some pharmaceutical companies -- such as AstraZeneca, GlaxoSmithKline, Merck, Pfizer and Wyeth -- provide help for low-income Medicare beneficiaries enrolled in the**

prescription drug benefit, but dozens of other programs do not allow any beneficiaries to participate. Patricia White, executive director of [West Virginia Health Right](#), said, "Before the Medicare program, we had close to 4,000 seniors getting free drugs," adding, "We're probably down to 400 now." In May 2006, several members of the [Senate Finance Committee](#) met with officials for eight pharmaceutical companies and asked them to continue to operate their PAPs. Senate Finance Committee ranking member Chuck Grassley (R-Iowa) in a statement said, "A company ought to be ashamed if it's still using (the Medicare drug program) as an excuse to abandon people with these extraordinary needs." [Pharmaceutical](#)

Continued on next page.

Welcome to the RxConnector newsletter!



Jim Poolman
Insurance Commissioner

Dear Friends,

This newsletter is designed to keep you up to date about the Prescription Connection for ND program and to keep you in the know about the various prescription assistance programs that are available. In addition, from time to time, we may also include other items of interest related to Medicare and the Senior Health Insurance Counseling (SHIC) program.

As always, thank you so much for all that you do for the Prescription Connection program! Without your help, our work would be that much harder. Your efforts are valued and appreciated!

If you have items of interest that you think should be included in this newsletter, we would love to hear about them! Please contact Sharon St. Aubin by email at ssaubin@nd.gov or call her toll free at 888.575.6611.

Jim Poolman
Insurance Commissioner

**Contact the
Department:**

**1.888.575.6611
insurance@nd.gov
www.state.nd.us/ndins**

**NORTH
DAKOTA**

a program of the
North Dakota
Insurance Department

**Prescription
Connection**
for North Dakota

[Research and Manufacturers of America](#) spokesperson Ken Johnson said that about half of PhRMA members operate PAPs that provide help for low-income Medicare beneficiaries enrolled in the prescription drug benefit but added that many members have concerns about

the legality of the practice (Appleby, *USA Today*, 2/5).

For an updated list of which companies offer PAP's to people enrolled in Medicare Prescription Drug Plans, go to <http://www.rxassist.org/docs/medicare-and-paps.cfm>

AARP Quick-Link

AARP research shows that nearly one in five North Dakota households with residents age 50 and older have annual income of less than \$15,000 a year.

Experts estimate that nearly four million eligible low-income older people in the US are not getting the benefits they deserve because they don't know what is available or how to access information and benefits. Others refrain because of the programs' overwhelming application

procedures; while some simply are too embarrassed to rely on governmental support systems.

The AARP Foundation Benefits Outreach Program, in collaboration with the National Council on Aging, has developed community education and volunteer assistance programs to facilitate understanding and access to public benefits by older Americans.

AARP North Dakota plans to

schedule Benefits QuickLINK events in different locations in the state in 2007. AARP North Dakota will invite those who have attended this training to participate in the events to assist eligible low-income people to learn about and access public assistance programs that could improve the lives of North Dakotans living in poverty.

For more information contact Marlowe Kro at (701)355-3643 or (866)554-5383 or mkro@aarp.org.

The Senior Health Insurance Counseling Program (SHIC) is looking for volunteers, especially in the Fargo area. If you or anyone you know would be interested in becoming a volunteer, please contact us today @ 1-888-575-6611. All meals, motel and travel are paid for training.

**New Counselor Training: March 27-29 in Bismarck
Expressway Inn (1-800-456-6388)**

**Update Training: May 22nd (Bismarck)
Expressway Inn (1-800-456-6388)**

**May 24th (Fargo)
C'Mon Inn (1-800-297-2576)**

CMS RELEASES ENROLLMENT DATA FOR 2006

Over 400,000 low-income people with Medicare who were disenrolled from Extra Help last year have yet to be re-enrolled, according to new figures released by the Centers for Medicare & Medicaid Services (CMS).

CMS also estimates that there are 20,000 more individuals since June 2006 who are eligible for the low-income drug subsidy, but are not enrolled, bringing the estimated total number of eligible but unenrolled individuals to 3.27 million.

Last year's Open Enrollment Period, the second since the implementation of Part D, ended December 31. Officials reported that about 10 percent of enrollees switched plans during the 45-day enrollment period for 2007 coverage. Almost half of those were people enrolled in Extra Help who were reassigned to a different Part D plan because their original plan either increased its premium or no longer existed.

According to the agency's data, 632,000 people with Medicare last year lost their eligibility for Extra Help, the low-income subsidy program for drug coverage. Affected individuals had previously been automatically enrolled in Extra Help because they also qualified for Medicaid, a Medi-

care Savings Program or Supplemental Security Income. But because they lost their eligibility status for the programs at some point in the year, they were also disenrolled from Extra Help.

Only a little over one-third of those individuals have regained their deemed status or have applied for Extra Help.

Total enrollment in Part D is almost 24 million, an increase of 1.4 million since June 2006, according to CMS.

In North Dakota, around 96% of Medicare eligibles have prescription coverage. This means that there are only about 4,000 people left without drug coverage.

The Insurance Department suspects that the remaining 4,000 are probably low-income. The income and asset levels are \$1,276 per month for an individual and \$1,711 per month for a couple. In addition, individuals may not have more than \$11,710 in assets and couples cannot have more than \$23,410. These asset limits do not include one car or the value of a home.

PAPS AND PART D

The following chart was printed in January 2007. It is a convenient way to determine which pharmaceutical companies and which medications

may be available to people enrolled in Medicare Part D. This information is constantly changing so diligence is required when submitting appli-

cations.

<http://www.rxassist.org/docs/medicare-and-paps.cfm>

LEGAL SERVICES OF ND PROVIDES SERVICES TO THE ELDERLY

Legal Services of North Dakota offers Civil Legal Services regarding private rights and remedies sought by civil claims as opposed to criminal prosecution or defense. Assistance is available to Low-Income and Elderly Persons.

To determine eligibility for their services, call the 1-800-634-5263 if you are under 60 years of age or call the Senior Hotline if you are age 60 or over at 1-866-621-9886 or apply on-line. Those

who need help in completing applications for low income assistance for Medicare Part D will find that service is available at Legal Services for those who are eligible.

Brochures of general information are also available at

www.legalassist.org/

211 PROVIDES VALUABLE SERVICE

2-1-1 is an easy-to-remember telephone number that connects people with important community services. This statewide information, referral and crisis intervention service is FREE and operator-serviced 24 hours a day, 7 days a week.

In February 2004, the Mental Health Association started providing the 2-1-1 service in North Dakota. Their database also includes programs from bordering Minnesota towns. The 2-1-1 program is funded by memberships, donations, grants, and various United Way agencies throughout the state. Examples of the types of assistance they provide are:

- Basic human needs resources;
- Physical and mental health provider referrals;
- Services for older Americans and persons with disabilities;
- Community program resources;
- Emergency service provider referrals;
- Crisis intervention services, including suicide intervention, domestic violence, supportive listening.

2-1-1 has nearly 10,000 entries in their data base. The complete data base was scheduled to be on line by the end of February. It is available to the public.

If interested in having your organization and programs/services listed in their database, fill out the Registry Form. This form must be filled out completely in order to be considered. For sections that do not apply, fill in "NA" and a reason, if appropriate. An organization does not have to complete the form if:

- It has all of the requested information on a

document already - just return the brochure, etc., along with the form; or,

- the organization's web site has all of this information (simply provide them with the web site address).

2-1-1 is committed to providing quality, professional services to the public. As part of that commitment, they plan to apply for accreditation from the Alliance of Information and Referral Systems (AIRS). This nationally-recognized professional association has developed a stringent set of standards which must be followed in order to achieve accreditation.

Program Quality Policy: Giving accurate referrals is of the utmost importance to 2-1-1. Organizations/programs entered into their database must update with the 2-1-1 Database staff annually, EVEN IF THE INFORMATION HAS NOT CHANGED. Only one reminder letter will be sent out. If no reply is received within one month after this reminder is sent, the organization/program may be deleted from the database.

Please contact 2-1-1 with any questions:

- Sharon Brennise—ND 2-1-1/HELPLINE Program Administrator
- Becci Snider—ND 2-1-1/HELPLINE Database Resource Specialist

Mental Health Association

PO Box 4106, Bismarck, ND 58502-4106

Phone: (701)255-3692, 2-1-1, or (800)472-2911

Fax: 701-255-2411 www.mhand.org

SOCIAL SECURITY WEBSITE REDESIGNED

In a time when more people are increasingly conducting business online, Social Security is pleased to announce the latest redesign of its home page at www.socialsecurity.gov.

One feature you may find helpful is the online application for extra help

<http://www.socialsecurity.gov/prescriptionhelp/>

Note that the resource limits for low income subsidy eligibility have changed. For eligibility, combined savings, investments, and real estate (other than the home) cannot be greater than \$11,710, for a one person

household and \$23,410 for those who are married and living with a spouse.

If you have a question about the Low Income Subsidy Application, call your closest Social Security Office.

NEW ENROLLMENT PERIOD FOR MEDICARE ADVANTAGE PLANS

The Tax Relief and Health Care Act of 2006 allows people with the Original Medicare Plan to join a Medicare Advantage Plan that doesn't include Medicare prescription drug coverage outside of the normal MA enrollment periods at any time in 2007 or 2008. Thus, this opportunity is in addition to the existing enrollment periods listed below:

- *The Annual Enrollment Period from November 15 – December 31*
- *The Medicare Advantage Open Enrollment Period from January 1 – March 3*
- *Any Special Election Periods*
- *The Initial Enrollment Period for individuals new to Medicare*

People with Medicare who have a Medicare Prescription Drug Plan can stay in their drug plan if they join a Private Fee-for-Service Plan that doesn't offer Medicare prescription drug coverage. However, if they join a Medicare Advantage Plan (such as an HMO, PPO, or Regional PPO) that doesn't offer Medicare prescription drug coverage, their enrollment in the Medicare Prescription Drug Plan will be automatically cancelled. This means they won't have Medicare prescription drug coverage and could face a late enrollment penalty should they later choose to re-enroll in a drug plan.

Before this happens, the person with Medicare will be contacted by their new plan to confirm that the person wants to make this choice, and understands the consequences.

OVER THE COUNTER DRUGS MAY CAUSE SIDE EFFECTS

Most people don't pay much attention to side effects when taking over-the-counter medicines—typically because the list can be so generic. In addition to nausea, headaches, constipation and diarrhea, drugstore antacids containing bismuth subsalicylate can be harmful to people who are allergic to aspirin and other

medicines containing salicylates.

More commonly known by various commercial names (Pepto-Bismol and Kaopectate, for example), antacids and acid reducers include active ingredients that can also increase the salt and magnesium in your diet. That

can be harmful to people with high blood pressure or kidney problems.

For more information the Medicare Rights Center suggests that you visit:

www.FamilyDoctor.org

MEDICARE PRESCRIPTION DRUG BENEFIT INCREASED MEDICATION SALES

The Medicare prescription drug benefit last year increased U.S. medication sales by \$2.5 billion, or 1%, a trend that has contributed to increased earnings for Pfizer and other pharmaceutical companies, according to research company IMS Health, Bloomberg/Philadelphia Inquirer reports.

According to IMS Health, purchases last year under the Medicare prescription benefit accounted for one-sixth of the total increase in medication sales. The Medicare prescription benefit last year also contributed to increased earnings for UnitedHealth Group and other health insurers that sold plans to 22.6 million

beneficiaries under the program (Bloomberg/Philadelphia Inquirer, 1/20).

FDA APPROVED GENERIC OF INDERAL LA

Propranolol Hydrochloride ER is the generic name of Inderal LA. It is a product of the pharmaceutical company, Mylan. Mylan has had three recent approvals for generics which include the generics for Inderal LA, Betapace AF and Zolof.

MEDICARE BENEFICIARIES UNDER 'OBSERVATION' AT HOSPITALS OFTEN RECEIVE LARGE PRESCRIPTION DRUG BILLS

The [Milwaukee Journal Sentinel](#) examined how an "untold number" of Medicare beneficiaries "have been hit with hefty drug bills when they are checked in for 'observation' but not officially admitted to a hospital." Medicare covers the cost of prescription and nonprescription drugs administered to beneficiaries who are admitted to the hospitals but does not pay for self-administered drugs provided by the hospital to beneficiaries during outpatient or observational stays, the *Journal Sentinel* reports.

Hospitals bill beneficiaries for the cost of the drugs, and they typically charge higher prices than drugstores or pharmacies, according to the *Journal Sentinel*. George Quinn, senior vice president of the [Wisconsin Hospital Association](#), said hospital drug prices usually are higher than those at drug stores because hospitals must adhere to strict quality-control standards. "This is

a policy that needs to be looked at by Medicare," Quinn said.

These situations are occurring in North Dakota. For example, people enrolled in Medicare Prescription Drug Plans are going to the emergency room late at night and being discharged a few hours later with a couple prescriptions for an infection. Since the hospital is not an in-network provider, some patients may be paying \$90 for the prescription but are being reimbursed \$10 from the Prescription Drug Plan.

In most North Dakota cities, there are no pharmacies open after 10 p.m. A person can choose to pick up the prescription the next day; however, if one is in pain, immediate relief is taken and that may mean paying higher prescription costs.

PAP'S ASSIST MEDICARE BENEFICIARIES

The following prescription assistance programs will accept applications from all Medicare patients:

ABBOT*

ALPHARMA

ASTRAZENECA—Part D enrollees use AZ Medicines & Me.

BERLEX/BETA SERON FND. - Cannot be LIS eligible.

CHIRON/TOBI—Part D enrollees may be eligible for product or co-pay assistance.

DIGESTIVE CARE

EYTECH

GILEAD*

GLAXOSMITHKLINE—Part D enrollees use GSK Access program.

JOHNSON & JOHNSON

KOS

MERCK**

MERCK/SCHERING PLOUGH**

NABI—Cannot be LIS eligible

NOVARTIS

PFIZER* - Some medications may not be available to Part D enrollees.

PROCTER & GAMBLE—Cannot be LIS eligible

SANOFI-AVENTIS—Appeal process for financially needy patients who have a life threatening condition confirmed by physician

SCHERING-PLOUGH

WYETH—Part D enrollees must submit a hardship letter or LIS denial letter.

*Will consider allowing some Part D enrollees to apply for PAP.

**Case-by-case basis

SOCIAL SECURITY CHECK AND BILLING ERRORS

Thousands of seniors opened their Social Security checks for February and got a shock -- their checks were up to \$200 short.

bills saying they owed \$200 or more.

The problem stemmed from a federal billing error.

Medicare Part D and Medicare Advantage plans.

PEOPLE WITH QUESTIONS can reach Medicare at 800-633- 4227.

Others, including 1,009 Pennsylvania seniors, received

Nationally, it affected about 117,000 people enrolled in