



First Health Services Corporation®

A Coventry Health Care Company

Nevada Medicaid and Nevada Check Up
Fiscal Agent
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<https://medicaid.nv.gov>

MEMORANDUM

TO: All Medicaid Prescribers and Pharmacies
FROM: First Health Services
DATE: November 17, 2005

RE: **Medicare Part D Prescription Program begins January 2006**

Federal laws broadly known as the Medicare Modernization Act (MMA) (Public Law 108-173) have created a Medicare prescription drug insurance plan and removed duplicate drug coverage from Medicaid. Nevada Medicaid will comply with the MMA by no longer paying for the majority of medications for Nevada Medicaid recipients who are eligible for both Medicaid and Medicare benefits (dual-eligible recipients).

Effective Jan. 1, 2006, dual-eligible recipients will receive prescription drug coverage through a Medicare Part D Prescription Drug Plan (PDP) or Medicare Advantage Plan. Nevada's dual-eligible recipients are receiving information regarding Medicare Part D from state and federal sources. The Nevada Division of Health Care Financing and Policy (DHCFP) is mailing letters of explanation to Nevada's dual-eligible recipients. The Centers for Medicare & Medicaid Services (CMS) is mailing a notification as well as an informational handbook titled "Medicare & You 2006" to Medicare recipients.

Dual-eligible recipients who do not choose a PDP or Medicare Advantage Plan by the end of the year will be auto-enrolled in one of several available PDPs providing service in Nevada.

Please be advised that as a result of the changeover, drugs that a Medicaid recipient is now receiving may either not be covered by his/her new Medicare prescription drug plan or may require prior authorization. Prescribers may contact the recipient's Medicare drug plan with questions regarding drug coverage or consult the Formulary Finder on the CMS website at <http://plancompare.medicare.gov/formularyfinder/drugSelect.asp>

Prescription co-payments for non-institutionalized dual eligibles will now be required (\$1 for generics, \$3 for brands). These should be billed to Medicaid via the First Health Services POS system.

For dual-eligible recipients, Nevada Medicaid will continue to pay for the following types of drugs that, in most cases, will not be covered by their Medicare drug plan:

- ◆ Over-the-counter medications (such as Benadryl, Colace, Senokot and Tylenol)
- ◆ Vitamins and Pre-Natal Vitamins
- ◆ Barbiturates (such as Phenobarbital)
- ◆ Benzodiazepines (such as Ativan, Xanax, Valium and Restoril)
- ◆ Cough and cold medications

More information is available for providers at the following two webpages on the CMS website:

<http://www.cms.hhs.gov/medicarereform>

and

<http://www.cms.hhs.gov/medlearn/drugcoverage.asp>

If recipients have questions about the new coverage, you may refer them to:

- ◆ Medicare information line: (800) 633-4227 (TTY 877-486-2048)
- ◆ Medicare website: <http://www.medicare.gov>
- ◆ The Division of Aging Services' State Health Insurance Assistance Program (SHIP) at (800) 307-4444 (or in Las Vegas 486-3478)
- ◆ The Senior Rx Medicare Help Line at (866) 323-5953.