

2015 Medicare Part D Plans: an overview for pharmacies

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→ Audio Instructions ←

Dial: **1-(800) 944-8766**

Code: **77178**



Key Dates to Remember

- October 1
 - Plan information posted on Medicare Plan Finder – beneficiaries may begin to “plug in their drugs” and start comparing plan options and offerings in their area
 - Plan sponsors may begin marketing plan information
- October 15 – December 7
 - Annual Enrollment Period – beneficiaries may opt to change Medicare health or prescription drug coverage for 2015
- January 1, 2015
 - New coverage year begins

Provider Guidelines

- Providers can make available PDP marketing materials after October 1
- May share information from CMS such as [CMS website](#), [Medicare website](#), [Medicare Plan Finder](#), 1-800-MEDICARE.
- Display promotional materials that announce your relationship with a plan. However, you must display these materials equally for ALL plans with which you are affiliated that have provided such materials.
- Providers can make available printed information provided by a plan sponsor to your patients, as long as there is no “ranking”, “highlighting” or comparison of specific plans.
- Providers can provide contact information for any plan which a beneficiary expresses an interest and requests such information. However, the beneficiary must contact the plan or plan agent directly and pharmacists should not make referrals to such plans or plan agents.



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Provider Guidelines

To remain in compliance with CMS with regards to assisting beneficiaries, providers cannot:

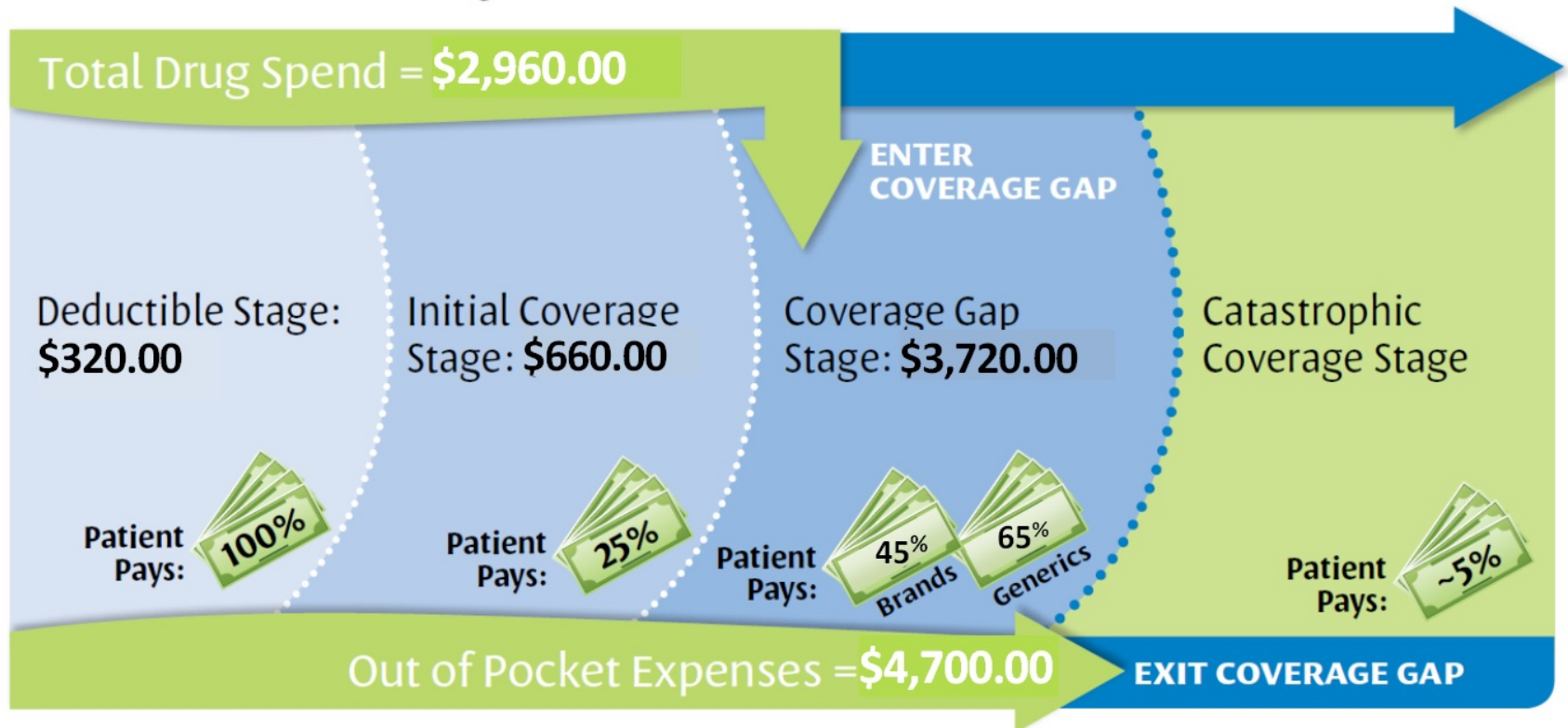
- Direct, urge, persuade, steer or offer inducements to join a particular plan.
- Collect or accept Medicare enrollment applications of any kind.
- Offer to mail marketing materials on behalf of a plan.
- Make available PDP enrollment forms at the counter.
- Make or distribute plan information, including PDP enrollment forms, during health screenings.
- Make available third party sales or plan promotional materials that are not CMS-approved.
- Expect or accept compensation for conducting enrollment or marketing activities.
- Suggest that a particular plan is approved, endorsed or authorized by Medicare.



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2015 Part D Standard Benefit Design

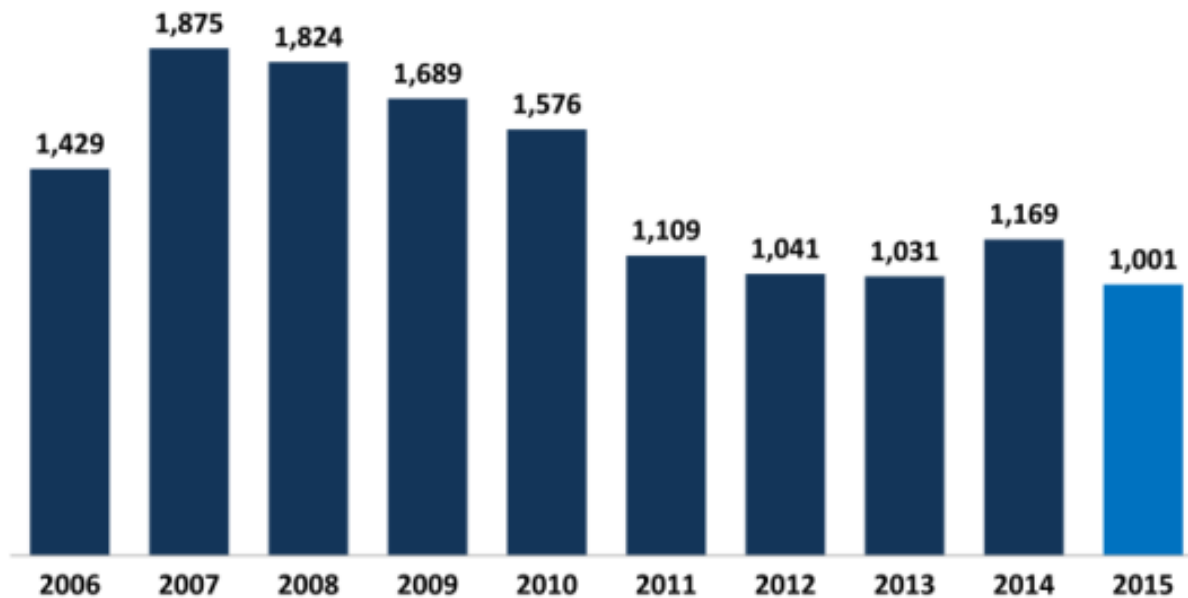
2015 Standard Benefit Design



2015 Part D Landscape

- In 2015, 1,001 Part D Plans (PDPs) will be offered across 34 PDP regions nationwide
- This represents a decrease of approximately 14% - with notable plan consolidations
- Smallest number of PDPs available since beginning of Part D benefit in 2006
- On average, beneficiaries will have a selection of about 30 plans to choose from

**Number of Medicare Part D Stand-Alone Prescription Drug Plans,
2006-2015**



NOTE: Excludes plans in the territories. Total for 2015 includes 36 plans under CMS sanction and closed to new enrollees as of September 2014.

SOURCE: Georgetown/NORC/Kaiser Family Foundation analysis of CMS 2006-2015 PDP landscape source files.



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2015 Part D Plans (by enrollment)

Plan Name	Parent Company	Preferred Pharmacy Network
AARP MedicareRx Preferred	UnitedHealth Group, Inc.	Yes
SilverScript Choice	CVS Caremark Corporation	No
Humana Preferred Rx Plan	Humana Inc.	Yes
Humana Enhanced	Humana Inc.	Yes
AARP MedicareRx Saver Plus	UnitedHealth Group, Inc.	Yes
WellCare Classic	WellCare Health Plans	Yes
Humana Walmart Rx Plan	Humana Inc.	Yes
Cigna-Healthspring Rx Secure	Cigna	Yes
Aetna Medicare Rx Saver	Aetna Inc.	Yes
First Health Part D Value Plus	Aetna Inc.	Yes



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2015 Part D Landscape

- Plan consolidation in 2015 Part D market
 - Aetna and Coventry merged into one company
 - SilverScript Basic was renamed SilverScript Choice
 - AARP MedicareRx Preferred and AARP MedicareRx Enhanced consolidated into the AARP MedicareRx Preferred PDP
 - CVS Health consolidated the former SilverScript Choice PDP and SilverScript Plus PDP into the SilverScript Plus Plan
 - Aetna/CVS pharmacy PDP and Aetna MedicareRx Essentials consolidate to become the Aetna Medicare Rx Saver Plan
 - First Health Part D Value Plus and First Health Part D Essentials consolidate to become the new First Health Part D Value Plus
 - Cigna Medicare Rx Secure and Cigna-HealthSpring Rx PDP were consolidated to form the Cigna-HealthSpring plan



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2015 PDP Premiums Information

Monthly Premiums for Top 10 PDPs in 2015¹

2015 PDP Offering	2015 Plan Enrollment	2014 Average Premium ¹	2015 Average Premium ²	% Change (2014-2015)
AARP MedicareRx Preferred*	3,787,148	\$43.41	\$50.15	16%
SilverScript Choice**	2,494,772	\$29.43	\$23.16	-21%
Humana Preferred Rx Plan	1,718,529	\$22.72	\$26.40	16%
Humana Enhanced	1,251,903	\$47.53	\$52.81	11%
AARP MedicareRx Saver Plus	1,157,050	\$23.22	\$28.00	21%
Cigna-HealthSpring Secure***	1,116,931	\$30.85	\$31.78	3%
WellCare Classic	1,115,683	\$20.72	\$31.46	52%
Humana Walmart Rx Plan	833,139	\$12.60	\$15.67	24%
Aetna Medicare Rx Saver****	548,771	\$35.56	\$24.46	-31%
First Health Part D Value Plus*****	452,209	\$44.58	\$38.81	-13%
TOP 3 PLANS	8,000,449	\$34.28	\$36.39	6%
TOP 10 PLANS	14,476,135	\$34.77	\$34.90	0%
ALL PDPs	22,476,584	\$39.88	\$38.95	-2%

1. Source: Avalere Health analysis using DataFrame®, a proprietary database of Medicare Part D plan features and 2015 PDP data released by CMS on September 18, 2014.

¹ 2014 premiums are enrollment-weighted using September 2013 enrollment data.

² Avalere projects 2015 enrollment with September 2014 enrollment. New plans will not have any enrollment reported

*UnitedHealth consolidated the AARP MedicareRx Preferred PDP and the AARP MedicareRx Enhanced PDP into the new AARP MedicareRx Preferred PDP for 2015.



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Snapshot of 2015 Plan Benefit Designs

- National average monthly bid amount for 2015 is \$70.18
- Basic plans: 45%; Enhanced plans: 55%
- Significant variations in plan premiums
 - Five of top ten plans will offer monthly premiums under \$30
- Greater shift of cost-sharing to beneficiaries:
 - Proportion of \$0 deductible plans 42%
(decline of about 5% - compared to 47% in 2014)
 - PDPs with deductible: 58%
 - Full deductible (\$320): 44%
 - Proportion of reduced deductible plans increasing by 10%
- Greater shift toward 5-tier benefit design



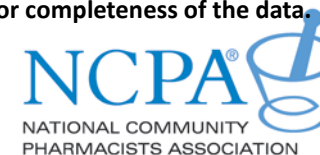
2015 Medicare Part D Evaluation Tool

2015 Medicare Part D Evaluation Tool

For Pharmacy Staff Use Only — Not For Distribution to Medicare Beneficiaries

Parent Company (Ranked by 2014 enrollment)	Plan Name (B = Basic) (E = Enhanced)	Monthly Premium (Range)	Annual Drug Deductible	Gap Coverage	LIS Benchmark Plan (Basic plans only)	Preferred Pharmacy Network	Preferred Network includes Independents	Copay - 30 DS Preferred Pharmacy	Copay - 30 DS Standard Pharmacy
UnitedHealth	AARP MedicareRx Saver Plus (B)	\$20.70-\$36.00	\$320	No	All states except AR	Yes	No	Tier 1: \$1-\$3 Tier 2: \$2-\$4 Tier 3: \$20-\$30 Tier 4: \$35-\$55 Tier 5: 25%	Tier 1: \$2-\$4 Tier 2: \$4-\$6 Tier 3: \$30-\$40 Tier 4: \$45-\$80 Tier 5: 25%
	AARP MedicareRx Preferred (E*)	\$11.70-\$61.10	\$0	No	N/A	Yes	No	Tier 1: \$1-\$3 Tier 2: \$3-\$5 Tier 3: \$35-\$40 Tier 4: \$80-\$85 Tier 5: 33%	Tier 1: \$4-\$5 Tier 2: \$7-\$10 Tier 3: \$45 Tier 4: \$85-\$95 Tier 5: 33%
Humana	Humana Preferred Rx Plan (B)	\$.10-\$33.50	\$320	No	All 50 states + District of Columbia	Yes	No	Tier 1: \$1 Tier 2: \$2 Tier 3: 20% Tier 4: 35% Tier 5: 25%	Tier 1: \$2-\$3 Tier 2: \$3-\$6 Tier 3: 25% Tier 4: 36%-42% Tier 5: 25%
	Humana Walmart Rx Plan (E)	\$15.60-\$15.70	\$320	No	N/A	Yes	No	Tier 1: \$1 Tier 2: \$4 Tier 3: 20% Tier 4: 35% Tier 5: 25%	Tier 1: \$10 Tier 2: \$33 Tier 3: 25% Tier 4: 50% Tier 5: 25%
	Humana Enhanced (E)	\$38.00-\$65.80	\$0	Yes	N/A	Yes	No	Tier 1: \$3 Tier 2: \$7 Tier 3: \$42 Tier 4: 44% Tier 5: 33%	Tier 1: \$7 Tier 2: \$12 Tier 3: \$45 Tier 4: 50% Tier 5: 33%

This material was compiled by NCPA from information publicly available from CMS. NCPA takes no responsibility for the accuracy or completeness of the data.



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Tips for Pharmacists

- As is the case every year, it is important that pharmacists familiarize themselves with the plans that are available in their area. It will be important to take into account multiple factors such as covered drugs, and out-of-pocket costs when assisting patients.
- Pharmacies are advised to check with their contracting entity to confirm the plans with which they carry preferred pharmacy status.



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Additional Changes to Medicare in 2015

- **Prescriber Enrollment Requirement in Medicare:**
 - OIG examination of PDE data found CMS paid for claims for scripts written from questionable prescribers.
 - Beginning June 1, 2015, CMS will require that physicians and eligible professionals who write prescriptions for covered Part D drugs must be enrolled in Medicare, or have a valid record of opting out of Medicare for their prescriptions to be covered under Part D.
 - Expect systems adjustments similar to those that occurred when NPI became a requirement.



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Changes on the Horizon for Part D

- MAC Pricing Changes
 - Beginning with contract year 2016, CMS will require Part D plans and their pharmacy benefit managers to make available to contracted pharmacies the reimbursement rates for drugs under Maximum Allowable Cost pricing standards. These standards will have to be updated no less than every 7 days.
- Definition of Negotiated Price
 - Also beginning in January 2016, CMS' new definition of negotiated price goes into effect. This will require that all pharmacy price concessions be included in negotiated prices except for a narrow exemption. Expect this requirement to shed more light on PBM charges to pharmacies.



NCPA Member Resources

- 2015 Part D Documents available (members only)
 - 2015 Medicare Evaluation Tool
 - Pharmacists Quick Reference GuideMore to come (check back regularly)

www.ncpanet.org/advocacy/advocacy-center/medicare-issues



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