

Medicare Part D
And
Illinois ADAP

AIDS Foundation of Chicago
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Federal Rules on ADAP and Medicare

- State ADAPs *may* continue services for Medicare-eligible clients; it is each states choice.
- State ADAPs *may* pay premiums, deductibles, co-payments, and co-insurance; it is each states choice whether to help clients with these costs.
- ADAP expenditures on behalf of Medicare beneficiaries do not count toward individuals' "true out of pocket costs."
- Clients eligible for Medicare must purchase Part D coverage in order to receive ADAP assistance.

Medicare Prescription Drug Benefit Subsidies for Low-Income Beneficiaries, 2006

Low-Income Subsidy Level	Monthly Premium	Annual Deductible	Copayments
Full-benefit dual eligibles Income <100% of poverty (\$9,570/individual; \$12,830/couple)	\$0	\$0	\$1/generic \$3/brand-name; no copays after total drug spending reaches \$5,100
Full-benefit dual eligibles Income ≥100% of poverty	\$0	\$0	\$2/generic \$5/brand-name; no copays after total drug spending reaches \$5,100
Institutionalized full-benefit dual eligibles	\$0	\$0	No copays
Individuals with income <135% of poverty (\$12,920/individual; \$17,321/couple) and assets <\$6,000/individual; \$9,000/couple	\$0	\$0	\$2/generic \$5/brand-name; no copays after total drug spending reaches \$5,100
Individuals with income 135%–150% of poverty (\$12,920–\$14,355/individual; \$17,321–\$19,245/couple) and assets <\$10,000/individual; \$20,000/couple	sliding scale up to \$32.20*	\$50	15% of total costs up to \$5,100; \$2/generic \$5/brand-name thereafter

ILLINOIS:

ADAP Clients With Incomes Under 135% Federal Poverty

135% Federal Poverty=\$12,919 annually

- ADAP assistance will end on January 31, 2006
- ADAP will consider on a case-by-case basis individuals who:
 - *Receive a denial letter for Extra Help*
 - *Clients who face barriers receiving ADAP formulary drugs through Part D*

ILLINOIS:

ADAP Clients With Incomes Under 135% Federal Poverty

Important Tip

- Clients should talk to their doctors immediately to request new prescriptions for 100-day supplies of medications they take regularly as a way to save money
- Plans will charge the same amount (\$1 to \$5) for each prescription *dispensed*

ILLINOIS:

ADAP Clients With Incomes Above 135% Federal Poverty

135% Federal Poverty=\$12,919 annually

- Clients are required to enroll in Part D
- ADAP services will continue uninterrupted
- Because Part D will be too costly for most clients, many people will rely solely on ADAP for medications
- Clients should apply for Illinois Cares Rx, which paying premiums (standard amount) for eligible individuals

ILLINOIS:

ADAP Clients With Incomes Above 135% Federal Poverty

Important Tips

- Clients should select and enroll in a Part D plan no later than **May 15, 2006**, after which lifetime penalties accrue (1% premium increase per month not enrolled)
- If you are not eligible for premium support through Illinois Cares Rx, consider selecting a plan with a low premium
- Clients who need non-ADAP drugs **and** can pay out-of-pocket costs should enroll as early as possible
- ADAP will require proof of Part D enrollment with your next ADAP re-application
- If your reapplication falls in January to May 2006, proof will not be required until 2007

Illinois ADAP has pledged to ...

- Hire a benefits counselor to help ADAP clients individually with Part D decisions
- Send ADAP clients additional information
- Explore the possibility of covering Part D co-payments and co-insurance for Medicare-eligible clients

On ADAP and Medicare: What you should do?

- **Apply for Medicare Extra Help**
 - If your annual income is more than \$15,000 you will not qualify (asset limits applies)
- **Apply for Illinois Cares Rx**
 - Through this state funded program, people with annual incomes below \$22,000 will receive assistance paying some Part D costs
 - If you qualify for Extra Help, you don't need Illinois Cares
 - If you don't qualify for Extra Help, Illinois Cares can pay your premiums
 - If you are over age 65 or need drugs in one of the approved categories, Illinois Cares will help you obtain them during the donut hole *if* you elect one of two approved plans
- **Pick a Part D plan and enroll**

On ICHIP and Medicare: What you should do?

*ICHIP, the Illinois Comprehensive Health Insurance Plan,
is stopping drug benefits for Medicare clients*

- **Apply for Medicare Extra Help**
 - If your annual income is more than \$15,000 you will not qualify (asset limits applies)
- **Apply for Illinois Cares Rx**
- **Pick a plan and enroll in Part D**
- **Apply for Illinois ADAP**
 - available to HIV+ state residents below annual income of \$38,280):

www.idph.state.il.us/health/aids/adap.htm

What This All Means for ADAP Clients?

Very low-income clients (below 135% of Federal Poverty) who qualify for Extra Help will lose ADAP and need to rely on Part D for their medications, **incurring co-pays of \$1-\$5 per prescription.**

Low-income clients (above 135% of Federal Poverty) will experience no change in their ADAP services, provided they enroll in a Part D Plan. They will not pay co-payments for their ADAP drugs, but will pay steep costs if they use Part D for other medications.

State Advocacy Needed

Ask Gov. Blagojevich and state lawmakers to expand services for HIV+ Medicare beneficiaries:

- **ADAP should pay premiums, deductibles, co-payments, and co-insurance**
- **Illinois should increase state funding for ADAP by \$6 million**
- **Illinois should appropriate \$1 million to Illinois Cares Rx to help HIV+ Medicare beneficiaries**

Federal Advocacy Needed

Ask Congress to expand services for HIV+ Medicare beneficiaries:

- **State ADAP expenditures made on behalf of Medicare beneficiaries should count toward “true out of pocket” costs**
- **ADAP clients should not be require to purchase Part D**

How to Help?

- Write a letter to Governor Blagojevich
- Call or meet with your state lawmakers
- Write a letter to members of Congress
- Submit a letter to the local press
- Join AFC's Statewide Advocacy Network

Learn Who Represents You

- **Enter your home address at:**

www.vote-smart.org

- **Visit AFC online at:**

www.aidschicago.org/advocacy/know_your_officials.php

Learn More

AFC:

www.aidschicago.org/advocacy/medicare.php

Make Medicare Work Coalition:

www.makemedicarework.org

AIDS Legal Council of Chicago:

www.aidslegal.com