



# STATE OF IOWA

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DEPARTMENT OF HUMAN SERVICES  
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## Informational Letter No. 478

To: Iowa Medicaid Providers

From: The Iowa Department of Human Services, Iowa Medicaid Enterprise

Date: **December 9, 2005**

Subject: **Medicare Part D-** Medicare Part D prescription drug coverage begins **January 1, 2006**. We would like to remind you that Medicare Part D will involve several changes for Medicaid members that also qualify for Medicare, or dual eligibles.

**Background:** Medicaid members who also qualify for **Medicare**, referred to as **dual eligibles**, will have their prescription drugs paid through **Medicare Part D** effective January 1, 2006. Medicaid will not continue the drug coverage it currently provides. The Centers for Medicare and Medicaid (CMS) Services will auto enroll dual eligibles in one of 11 prescription drug plans (PDP) in Iowa if they do not actively choose a plan by December 31, 2005. Enrollment in the plans began on November 15, 2005 so dual eligibles can select a different plan or remain in the plan CMS auto enrolled them in. Dual eligibles are able to change plans on a monthly basis. While the dual eligible is responsible for the prescription drug copayment, the plan costs for the 11 plans that are eligible for auto enrollment, will be covered by Medicare's Extra Help program.

**Federal Legislation:** The statutory definition of a Medicare Part D drug specifically excludes drugs or drug classes, which may be excluded from coverage under Medicaid, with the exception of smoking cessation agents which are covered by Medicare Part D. These exclusions include: (1) agents used for anorexia, weight loss or weight gain; (2) fertility agents; (3) cosmetic agents; (4) agents when used for the symptomatic relief of cough and colds; (5) prescription vitamins and mineral products, except prenatal vitamins and fluoride preparations; (6) non-prescription drugs; (7) drugs for which the manufacturer seeks to require that associated monitoring services be purchased exclusively from the manufacturer or its designee; (8) barbiturates; and (9) benzodiazepines. The definition of a Part D drug also excludes any drug for which, as prescribed, payment would be available under Parts A or B of Medicare.

**Dual Eligible Formulary through Iowa Medicaid:** Per State Medicaid Director Letter #05-002 dated June 3, 2005 state Medicaid programs were directed to cover the excluded drugs for full benefit dual eligibles to the same extent they cover these drugs for Medicaid recipients who are not full benefit dual eligibles. ***This means only the excluded classes designated below in Section c. will be covered by Iowa Medicaid NOT drugs excluded from a particular Medicare Part D prescription plan.***

- a. **Requirements:** All Preferred Drug List (PDL) and Prior Authorization (PA) requirements will be the same for the dual eligibles as for the regular Medicaid population.
- b. **Pharmacy Billing:** Iowa Medicaid will only accept **secondary claims**. Effective January 1, 2006 Medicaid should be listed as the secondary insurance for all dual eligibles. All claims should be submitted to the primary insurance first (Medicare Part D PDP). Listing Medicaid as the primary insurance will result in denial of the claim. Medicaid will always be the payer of last resort.
- c. **Drug Categories**, billed as secondary claims, that Iowa Medicaid will cover for dual eligible individuals includes:
  - 1). **Barbiturates**

**2). Benzodiazepines**

**3). Cough and Cold Products** defined as the following Preferred Drug List (PDL) categories:

- Cough/Cold-Antitussive-Narcotic
- Cough/Cold-Antitussive-Non-Narcotic
- Cough/Cold-Antitussive-Expectorant
- Cough/Cold-Antitussive-Expectorant-Decongestant-Antihistamine
- Cough/Cold-Antitussive-Expectorant-Decongestant
- Cough/Cold-Antitussive-Decongestant & Anticholinergic
- Cough/Cold-Antitussive-Decongestant w/Expectorant
- Cough/Cold-Antitussive-Decongestant-Antihistamine w/Expectorant
- Cough/Cold-Antitussive-Decongestant-Antihistamine-Anticholinergic
- Cough/Cold-Expectorant Mixtures
- Cough/Cold-Expectorant
- Cough/Cold-Narcotic Antitussive-Antihistamine
- Cough/Cold-Narcotic Antitussive-Decongestant
- Cough/Cold-Narcotic Antitussive-Decongestant-Antihistamine
- Cough/Cold-Non-Narcotic Antitussive-Antihistamine
- Cough/Cold-Non-Narcotic Antitussive-Decongestant
- Cough/Cold-Non-Narcotic Antitussive-Decongestant-Antihistamine
- Cough/Cold-Systemic Decongestants
- Cough/Cold-Topical Decongestants

**4). Over-the-Counter Drugs** (see the OTC Drug List posted at [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com))

**5). Prescription Vitamin and Minerals**, except prenatal vitamins and fluoride preparations

**6). Weight Loss Products**

- d. **Medicare Part B Drugs**- Iowa Medicaid will **NOT** pay for any Medicare Part B drugs such as Oral Immunosuppressant Drugs, Inhalation Drugs When Used With A Nebulizer, Oral Chemotherapy Drugs, Oral Anti-Emetic Drugs, Blood Clotting Factors, or Epoetin. A drug for which coverage is available under Medicare Part A or Part B, as it is being “prescribed and dispensed or administered” with respect to an individual, is excluded from the definition of a Part D drug and therefore cannot be included in Part D basic coverage and must be billed to Medicare Part B.

**Medically Needy:** Iowa Medicaid is awaiting further information from CMS regarding the Medically Needy program and will provide additional information to providers once available.

**Medicare Part D Information:** Questions regarding Medicare Part D should be directed to the following:

**CALL**

- 1-800-MEDICARE (633-4273)
- County Senior Health Insurance Information Program (SHIIP) office (See list posted at [www.ime.state.ia.us](http://www.ime.state.ia.us))

**INTERNET**

<http://www.medicare.gov>

Medicare home page

<http://www.medicare.gov/medicarereform/drugbenefit.asp>

General Part D Information

<http://www.medicare.gov/medicarereform/map.asp>

Plan Information

**Medicaid Questions:** Questions regarding Medicaid issues should be directed to:

**CALL**

Provider Services	1-800-338-7909	515-725-1004 (local)
Member Services	1-800-338-8366	515-725-1003 (local)
Pharmacy PA Help Desk	1-877-776-1567	515-725-1106 (local)
Pharmacy POS Help Desk	1-877-463-7671	515-725-1107 (local)