

# Medicare Prescription Drug Coverage

## for Ryan White HIV/AIDS Program Clients

Medicare prescription drug coverage helps individuals pay for both brand-name and generic drugs, including HIV medications. Individuals can get Medicare prescription drug coverage in two ways:<sup>1</sup>

1. Purchasing a Medicare Part D prescription drug coverage plan to complement **Original (also known as Traditional) Medicare**.
2. Enrolling in a **Medicare Advantage Plan**, which includes prescription drug coverage.

However, if a Medicare enrollee is enrolled in Original Medicare and chooses **not** to enroll in drug coverage when they are first eligible, they will likely have to pay a **late enrollment penalty** to join later, unless they have other creditable prescription drug coverage. The penalty is in addition to their monthly premium for as long as they have a Medicare drug plan.

Clients with creditable drug coverage should receive a written notice each September from their health plan.<sup>2</sup> If clients are unsure, they should ask their health plan administrator for a copy of the notice.



**Creditable prescription drug coverage** is prescription drug coverage that provides (i.e., pays for) at least as much as Medicare's standard prescription drug coverage, on average. People who have other creditable prescription drug coverage when they apply for Medicare, such as through an employer, can generally keep that coverage without paying a penalty if they decide to enroll in a Part D plan later.

This resource provides an overview of Medicare prescription drug coverage for Ryan White HIV/AIDS Program (RWHAP) clients and other people with HIV.



**Find the answers to these questions:**

1. How do clients get Medicare prescription drug coverage?
2. Are clients required to enroll in Medicare prescription drug coverage?
3. Does Medicare prescription drug coverage cover HIV medications?
4. How can the RWHAP, including its AIDS Drug Assistance Program (ADAP), help clients pay for Medicare prescription drug coverage?

## Standard Level of Coverage for All Medicare Drug Plans

All Medicare drug plans must provide a standard level of coverage set by Medicare, but may offer different combinations of coverage and cost sharing. Medicare drug plans may differ in the prescription drugs they cover, how much individuals have to pay, and which pharmacies they can use. For all diseases, plan formularies (the list of drugs a health care coverage provider or plan covers) must include a minimum of two drugs in each drug class.

## Medicare Coverage for HIV Drugs

All Medicare prescription drug plans are required to cover all or nearly all drugs in six “protected” drug classes, including antiretroviral treatments for HIV.<sup>3</sup> HIV drugs are required to be covered without any utilization management (e.g., prior authorization or step therapy). However, Medicare Part D plans may place HIV drugs on specialty tiers with higher cost sharing requirements.



**Prior authorization:** A health care entity reviews and approves a healthcare service or prescription drug before it is provided to the patient.



**Step therapy:** Starting patients on a less expensive medication, and if not effective, then the health care coverage entity will cover the cost of a more expensive medication.

## How ADAP Can Help with Prescription Costs

The RWHAP AIDS Drug Assistance Program (ADAP) can help Medicare-eligible clients pay for Medicare Part D premiums, inclusive of any late enrollment penalties, and cost sharing for HIV medications. However, **ADAP is not considered creditable prescription drug coverage by Medicare.** ADAPs may pay in full or in part for Medicare premiums, deductibles, and copayments. Check with your local ADAP to determine what it covers. Other RWHAP Parts can also help eligible clients with Medicare Part D premiums and cost sharing.<sup>4</sup>



Please refer to the **ADAP Coordinator Directory** to contact your ADAP to learn how it works with Medicare’s drug coverage.

# Coverage for Dual-Eligible Clients

Many Medicare beneficiaries with HIV are eligible for both Medicare and Medicaid. This is known as **dual eligibility**. Dual-eligible clients receive low-income subsidies under Medicare Part D. Also, if clients have both Medicaid and Medicare, then **Medicare** will help pay for their prescription drugs.

Medicare enrollees who have limited income and resources may get help paying for their Medicare premiums and out-of-pocket medical expenses from Medicaid through the **Medicare Savings Program (MSP)**. If a client qualifies for one of the following MSP programs, they automatically qualify to get extra help paying for Medicare prescription drug coverage.

- Qualified Medicare Beneficiary (QMB)
- Specified Low-income Medicare Beneficiary (SLMB)
- Qualifying Individual (QI)

**The RWHAP, including ADAP, is still able to support clients after they enroll in Medicare.**

## References

1 <https://www.medicare.gov/drug-coverage-part-d/how-to-get-prescription-drug-coverage>

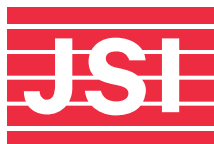
2 <https://www.medicare.gov/basics/forms-publications-mailings/mailings/costs-and-coverage/notice-of-creditable-coverage>

3 <https://www.medicare.gov/publications/11109-Medicare-Drug-Coverage-Guide.pdf>

4 <https://ryanwhite.hrsa.gov/sites/default/files/ryanwhite/grants/18-01-use-rwhap-funds-premium-cost-sharing-assistance.pdf>



The Access, Care, and Engagement TA Center (ACE) Technical Assistance (TA) Center builds the capacity of the RWHAP community to navigate the changing health care landscape and help people with HIV to access and use their health care coverage to improve health outcomes.



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