

MEMORANDUM

TO: Joint Fiscal Committee; Health Access Oversight Committee

CC: Mark Larson, Commissioner, Department of Vermont Health Access
Douglas A. Racine, Secretary, Agency of Human Services

FROM: Nancy Hogue, Pharm.D., Director of Pharmacy Services

DATE: November 20, 2013

RE: Act 50, Sec. E.307.5 (a) Notifications to Pharmacy Program Beneficiaries

Sec. E.307.5 NOTIFICATIONS TO PHARMACY PROGRAM BENEFICIARIES

(a) The Department shall ensure that at least once a year a notification is included in a written correspondence to beneficiaries of pharmacy programs to inform the beneficiary that it may be advisable to consult with local community service organizations or state program eligibility officials to review the financial advisability of continuing enrollment in the program. The Department shall submit the notification for review to the Health Care Oversight Committee and the Joint Fiscal Committee not later than November 1, 2013.

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Please accept this memo in response to the requirement under Act 50, Sec. E.307.5 (a) of the 2013 Legislative Session requesting draft notification language to advise pharmacy program beneficiaries that it may be advisable for them to consult with a local community service organization on the financial advisability of their continued program enrollment.

Please find attached the draft language which DHVA anticipates including in its annual member newsletter to notify pharmacy program beneficiaries.

Please contact me with any questions regarding this draft notification language.

Draft Language for VPharm Beneficiary Notification

“Sometimes a Medicare Part D Plan alone is sufficient to coverage your medications. However, if it is not, eligible Vermonters may enroll in VPharm, which helps covers many of the pharmacy costs not covered by Medicare Part D plans (such as copayments, coinsurance and deductibles).

Whether or not to purchase a VPharm plan depends on your monthly prescription drug costs after your Medicare Part D Plan has paid its portion of your claims. For some, purchasing a VPharm plan may not be the most economical choice. If you do not use many prescriptions drugs, it may cost you less to pay out of pocket for Medicare Part D copayments, coinsurance and deductibles than it would to purchase a VPharm plan.

For others, the costs not paid by Medicare Part D can be crippling, and a VPharm plan is a very good investment. In fact, VPharm beneficiaries are expected to receive approximately \$9.2 million in benefits during State Fiscal Year 2014, after paying around \$3.2 million in premiums.

It is important to remember that your health may change at any time. If you get sick or begin needing expensive medications, purchasing a VPharm plan may be a very good investment for you.

Please contact the Vermont Office of Health Care Ombudsman at 1-800-917-7787 or the nearest Area Agency on Aging by calling the Senior HelpLine number 1-800-642-5119 to discuss whether buying VPharm pharmacy insurance is the most economical choice for you. The Office of Health Care Ombudsman and the Area Agency on Aging Senior HelpLine provides help to Vermonters about health care and health insurance.”