



North Carolina
Department of Health and Human Services
Division of Medical Assistance
Recipient Services EIS

801 Ruggles Drive – 2501 Mail Service Center - Raleigh, N.C. 27699-2501
Courier Number 56-20-06

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Gary Fuquay, Director
(919) 855-4000

September 17, 2004

Re: Changes to the Senior Care Program

Dear County Director of Social Services:

The purpose of this letter is to provide you information regarding changes to the Senior Care Program. As you know, in 2002 the Health and Wellness Trust Fund Commission of North Carolina contracted with the North Carolina Department of Health and Human Services (DHHS) to administer a prescription drug benefit known as the Senior Care Program. It was designed specifically to assist seniors diagnosed with one of three diseases and the formulary and eligibility was restricted to these three diseases.

I am pleased to let you know that effective September 1, 2004, the Senior Care Program increased both its eligibility and benefit coverage significantly including ending these diagnosis restrictions. The changes significantly reduce out-of-pocket expenditures and increase both drug coverage and income eligibility for all participants in the program.

To be eligible for this program, a client must be 65 or older, have no other prescription drug coverage, including Medicaid, and meet the income requirements outlined below. Since you and your staff encounter seniors on a daily basis who meet these qualifications, we wanted to make sure you were aware of these changes and how seniors can enroll.

Here are the highlights:

- No restrictions on covered drugs based on diagnosis. All conditions will be covered;
- Total benefits of up to \$1,200 through the end of 2004;
- An additional \$1,200 for calendar year 2005. In addition, any unused benefits in 2004 are carried over to 2005;
- Co-payment will be 5 percent for enrollees at or below 100% of poverty (\$9,310 for an individual and \$12,490 for a married person) or 10 percent for those above it;
- Increase from 200% to 250% of poverty in the upper income eligibility threshold or to \$23,275 for an individual and \$31,225 for a married applicant;
- Persons with other drug coverage through a Medicare Supplemental Policy (H, I, J) or the Veterans Administration are no longer excluded from Senior Care coverage; and

- Availability of 288 low co-pay drugs even after the \$1200 benefit is exhausted for those who qualify for the combined state/federal Senior Care Community Care Rx card (below 135% or \$12,568 for an individual, and \$16,862 for a married applicant).

Senior Care Community Care Rx Program

For Senior Care participants with income at or below 135% (\$12,568 and \$16,862) of the federal poverty level, the State is coordinating the Senior Care benefit with the new Medicare-approved Discount Drug card benefit. This combined state/federal program is called the *Senior Care Community Care Rx Program*. These enrollees will receive one easy-to-use drug card that combines the benefits of both programs.

1. Those who qualify for the Medicare-approved Discount Drug card benefit of \$600 get one easy-to-use card covering both the federal and state programs. Existing Senior Care participants that qualify for the \$600 Medicare credit and have not already signed up for another Medicare-approved card were automatically enrolled into the new *Senior Care Community Care Rx* program effective September 1st. These *Senior Care Community Care Rx* participants were mailed new ID cards.
2. Persons under 135% of poverty who have already signed up for another Medicare-approved Discount Drug card other than Community Care Rx, receive the \$600 Senior Care benefit to go along with their \$600 Medicare discount drug card credit. These enrollees cannot switch their enrollment to the combined *Senior Care Community Care Rx* card until the open enrollment period from November 15th thru December 31st for an effective date of January 1, 2005. Until then, they can first use their other Medicare-approved Discount Drug card and then their Senior Care card to get their prescriptions.

Enhanced Senior Care Program

In addition, the new expanded benefit coverage outlined above will also be available under the Senior Care Program for those enrollees above 135% of poverty. They will receive a full \$1200 in coverage per benefit period with 90% coinsurance coverage from the state. Any unused balance as of December 31, 2004, can be carried over and added to an additional \$1200 benefit that the enrollee will receive as of January 1, 2005. Enrollees with income above 135% of poverty should continue to use their current Senior Care ID card to take advantage of this new benefit.

Senior Care Enrollment Applications

A shipment of Senior Care enrollment applications has been mailed out to each county DSS to share with these clients. **We would encourage your staff to provide a copy of these applications to any senior who appears to be eligible.** Additional applications and assistance in completing the application can be obtained by calling 1-866-226-1388.

If you have any questions, please contact the Medicaid Eligibility Unit at 919-855-4000.

Gary H. Fuquay
Director