



Brian Sandoval
Governor



Richard Whitley
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State of Nevada
Department of Health and Human Services

Senior and Disability Prescription Program

Aging and Disability Services Division
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Senior & Disability Prescription Program

- SRx/DRx Program History
- Current Program
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- Medicare Part D GAP 2019 vs 2020
- SRx/DRx Program sustainability
- 2020 SRx/DRx Program Changes
- Medicare Part D in Nevada 2019 vs 2020

Program History

- 1999 - Senior Rx program established
- 2005 - Disability Rx program established
- 2006 - Medicare Part D began
 - Program changed to address member needs during the Part D GAP phase of coverage, when members were responsible for 100% of the cost of their medications

Current SRx/DRx Program

Two program benefits:

1. Coverage of the cost of prescription medication while a member is in the Medicare Part D Coverage GAP
2. Monthly subsidy of up to \$27.08 for a member's Medicare Part D monthly premium, if member is enrolled with a participating plan

Federal Changes Impact to the GAP

- 2006 through 2010 - Medicare Part D beneficiaries responsible for 100% of the cost of medication while in the GAP, no discounts
- 2011 – Affordable Care Act begins phasing in “closing” the GAP with plan discounts and drug manufacturer discounts
- 2019 – Bipartisan Budget Act of 2018 increased drug manufacturer GAP discount from 50% to 70%

Medicare Part D Prescription Drug Plan Coverage Gap (Donut Hole) Discount

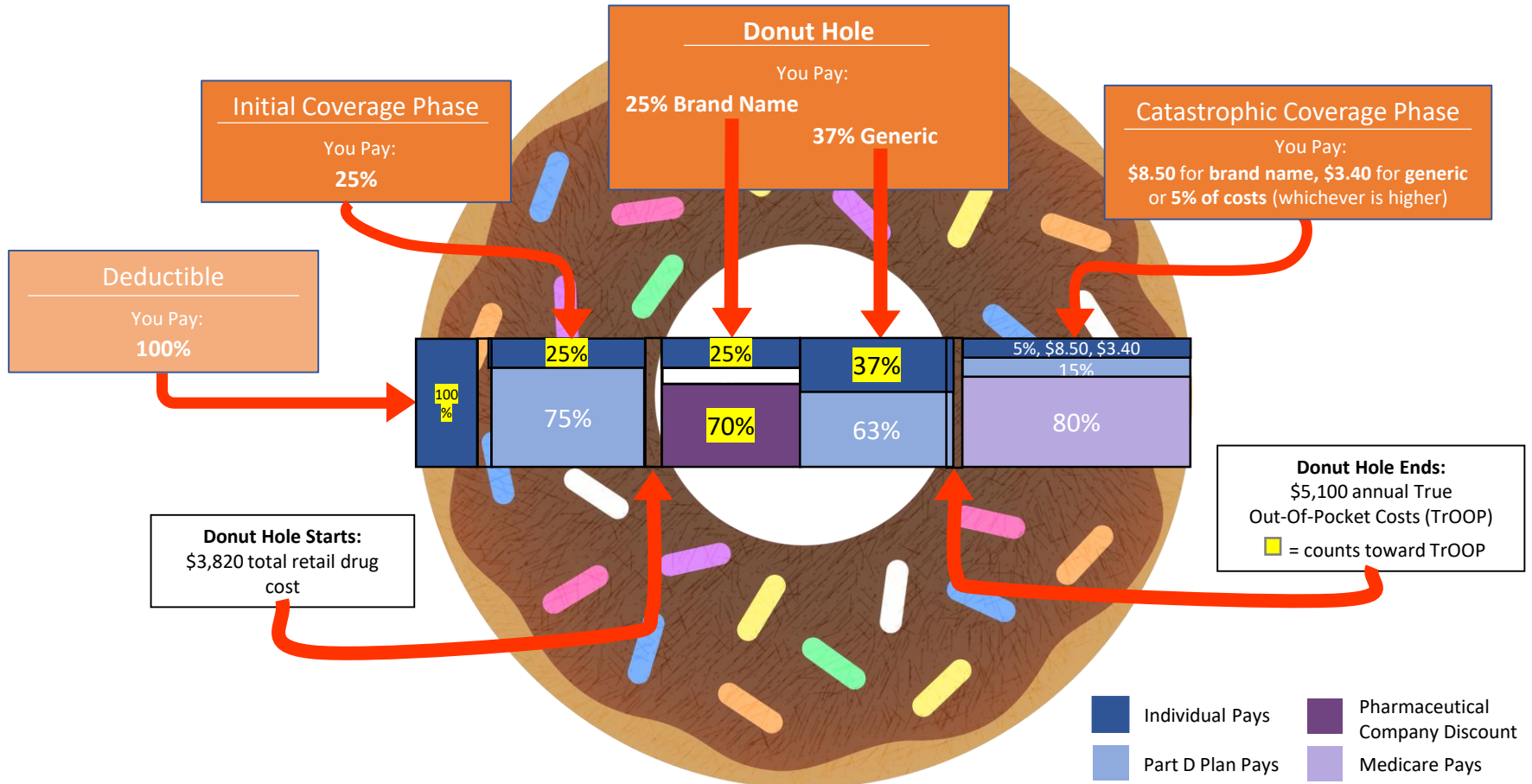
Plan Year	Generic Drug Purchases			Brand-Name Drug Purchases			
	You Pay (Amount that Counts Toward TrOOP)	Discount (Paid by Your Plan)		You Pay	Amount that Counts Toward TrOOP	Discount (Paid by Your Plan)	Drug Manufacturer Discount
2006 - 2010	100%	0%		100%	100%	0%	0%
2011	93%	7%		50%	100%	0%	50%
2012	86%	14%		50%	100%	0%	50%
2013	79%	21%		47.5%	97.5%	2.5%	50%
2014	72%	28%		47.5%	97.5%	2.5%	50%
2015	65%	35%		45%	95%	5%	50%
2016	58%	42%		45%	95%	5%	50%
2017	51%	49%		40%	90%	10%	50%
2018	44%	56%		35%	85%	15%	50%
2019	37%	63%		25%	95%	5%	70%
2020 - beyond	25%	75%		25%	95%	5%	70%

GAP

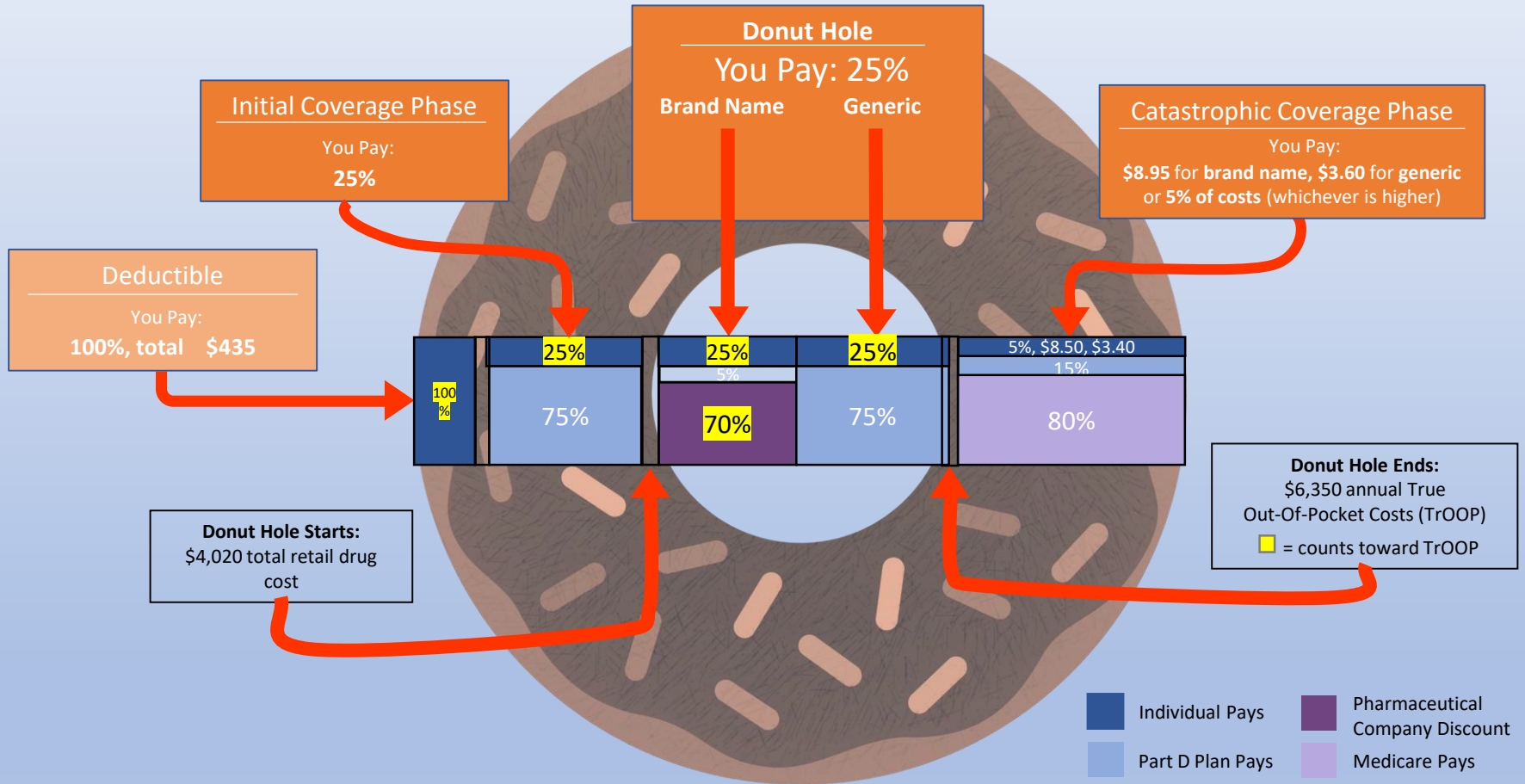
2019 vs 2020

	2019	2020
Deductible	\$415	\$435
Enter GAP	\$3,820 retail drug cost	\$4,020 retail drug cost
Initial Coverage Phase	25%	25%
GAP Generic	37%	25%
GAP Brand Name	25%	25%
Enter Catastrophic	\$5,100 TrOOP	\$6,350 TrOOP

2019 Medicare Part D Donut Hole (GAP) January 1 – December 31, 2019



2020 Medicare Part D Donut Hole (GAP) January 1 – December 31, 2020



SRx/DRx Program Sustainability

- FY19 Legislatively Approved Budget = \$2,864,400
- FY20 Legislatively Approved Budget = \$1,530,900
 - Decrease of \$1,333,500
 - GAP utilization FY19 is 14.42% of the total unduplicated caseload. (annual decrease)
- 2020 TrOOP increase would approximately cost the program an additional \$661,000. (w/o a subsidy increase).

Medicare Part D in Nevada 2019 vs 2020

	2019	2020
# stand-alone Part D Plans	26	28
Lowest Part D premium (incl supplemental)	\$16.20	\$13.20
Highest Part D premium (incl supplemental)	\$97.40	\$83.80
# plans with premium up to \$37	11	17
# MA-PD Plans	41	50
Lowest MA-PD premium (Part D portion)	\$0	\$0
Highest MA-PD premium (Part D portion)	\$125.80	\$87.60
# plans with premium up to \$37 (Part D)	5	6

2020 SRx/DRx Program Changes

- Increase monthly subsidy for Part D Premium from up to \$27.08 to \$37.00
- No longer cover prescription costs while member is in the GAP
- Encouraging members to work with the State Health Insurance Assistance Program (SHIP) to identify a plan that may reduce out of pocket costs and best fit their individual healthcare needs

Implementation of Program Change

- August 2019 – IFC approval
- September 2019 – Initial notification letter to members of program change
- September 2019 – notification to Part D plans of increase in subsidy amount
- October 2019 – Notification letter #2 to members, to include 2020 Part D Plan information
- January 1, 2020 – Implementation of Part D Premium Subsidy Program

Questions?

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