



MARK B HORTON, MD, MSPH
Director

State of California—Health and Human Services Agency
California Department of Public Health



ARNOLD SCHWARZENEGGER
Governor

November 15, 2007

Dear Interested Parties:

You have been identified as being eligible for Medicare Part D in 2008. Once again, ADAP may be able to assist with certain out-of-pocket costs. Although you may have been through this process last year, it is important to note that Medicare requires that each year be treated like a brand new year with new drug plans, benefits, and choices available to you. Please read and review the following materials carefully as ADAP has attempted to outline what steps you will need to take in order to maintain your ADAP and Medicare drug coverage in 2008.

Before you read on, please make note of the following important issues:

Completion of the enclosed application:

- The enclosed application is for individuals who are requesting assistance paying their monthly Part D premiums. Certain individuals do not need to complete this application because Medicare pays their monthly premiums. Generally, if you receive Medi-Cal with no Share-of-Cost (“free” Medi-Cal) or receive Full “Extra Help” Low Income Subsidy (LIS), Medicare will enroll you in a drug plan and will pay your premiums. **If this applies to you, you do not need to complete the enclosed forms.** If you are not sure about your Medi-Cal or LIS status, contact (800) Medicare for clarification.
- The enclosed application is not an application for ADAP services. ADAP applications and recertifications continue to be completed on an annual basis by your ADAP Enrollment Worker.
- Clients who received Part D premium payment assistance last year will be required to reapply for assistance in 2008. Assistance received in 2007 will not roll forward to the 2008 plan year. The new application is needed in order for ADAP to be informed of any changes to your drug plan, premiums, or LIS status.

2008 Medicare Part D Plan Year:

The open enrollment period is from **November 15, 2007 through December 31, 2007; your new Medicare plan coverage will take effect on January 1, 2008.** Since Medicare Part D operates on an annual plan year basis, each year the structure of available Part D plans may change. Plan changes could include: lists of covered medications, authorization steps required to access a certain drug, changes to co-payments, or other out-of-pocket costs. It is also possible that your plan changed their name or is no longer in operation. Because Part D plans can change significantly each year, it is very important that you **carefully review your Medicare Part D options** to ensure that your drug plan selection for 2008 will meet your prescription drug needs.

State and Federal law continue to require that all Medicare eligible ADAP clients enroll in a Medicare Part D plan, with the exception of Medicare eligible individuals who are able to demonstrate that they have drug coverage that is comparable to or better than Medicare Part D. This comparable coverage is also known as "Creditable Coverage." ADAP clients who do not enroll in a Part D plan because they have other drug coverage are required to provide their 2008 "Certificate of Creditable Coverage" to their ADAP Enrollment Worker to continue their ADAP assistance.

ADAP and Medicare Part D:

In 2008, ADAP will continue to pay towards Medicare Part D deductibles, co-insurance, and co-payments for medications that are on the ADAP formulary (list of medications that ADAP covers). ADAP will also continue to cover clients during the gap in coverage also known as "the doughnut hole." The ADAP Medicare Part D Premium Payment Program will continue to pay Medicare Part D premiums for ADAP clients who are required to pay Part D premiums. This includes individuals who receive Partial "Extra Help" LIS and individuals who do not qualify for subsidy.

For ADAP clients who enroll in a Medicare Advantage Prescription Drug Plan (Medicare Managed Care Plan), ADAP may be able to pay the Part D prescription portion of that premium. The client is responsible for payment of the Part B medical and outpatient portion of the premium. **ADAP will not continue paying the Part D portion of the premium if the client does not comply with their payment obligation for Part B.** Failure to pay your Part B premiums could result in losing your managed care health coverage.

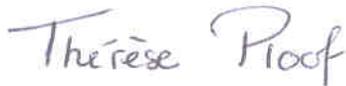
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If you are interested in receiving ADAP Medicare Part D Premium Payment assistance, please complete and submit the enclosed four-page application packet to the California Department of Public Health. The application **can be mailed or faxed directly** to:

**California Department of Public Health
Medicare Part D Premium Payment Program
MS 7704
P.O. Box 997426
Sacramento, CA 95899-7426
or
Fax: (916) 449-5883**

Finally, ADAP recognizes that Medicare Part D can be an extremely complicated benefit, so we have included a list of "Things you need to do" and "Medicare Part D Resources" to help you through the open enrollment period. Medicare offers on-line resources to help you select plans based on your current medication needs. The Medicare "Plan Finder" and "Formulary Finder" tools are available on the Medicare Web site at www.medicare.gov. Thank you for your cooperation.

Sincerely,



Thérèse Ploof, Chief
ADAP Section

Enclosures

Things you need to do:

ADAP recognizes that Medicare Part D is overwhelming for most of us. The following is a list of basic steps to help guide you through the process. We advise you to seek assistance immediately through resources listed on the following page, Medicare Part D Resource List.

- 1) **Review your mail carefully:** Your current drug plan and Medicare will be sending you important notices regarding your 2008 Part D benefits. Plans may change in 2008, so watch for changes that might impact you.
- 2) **Medicare Part D Open Enrollment:** Open enrollment is November 15, 2007 through December 31, 2007. Review your 2008 plan options to ensure that you enroll in the Part D plan that will best meet your medication needs. You can enroll in a plan by contacting the plan directly or by contacting (800) Medicare.
- 3) **“Extra Help” Low Income Subsidy (LIS):** ADAP requires that most Medicare eligible ADAP clients apply for the “Extra Help” LIS. LIS significantly lowers the costs that the Part D plan is permitted to charge clients. LIS eligibility ensures that you have the lowest out-of-pocket costs for medications that may not be on the ADAP formulary.

To apply for LIS, go into your local Social Security Administration office, request an application by phone (800) 772-1213, or apply online at www.ssa.gov. Social Security Administration will take a few weeks to process your application and will notify you of your eligibility by mail. Once you receive your LIS determination notice, please take a copy of the notice to your ADAP Eligibility Worker and mail or fax a copy to the ADAP Medicare Part D Premium Payment Program.

- 4) **Creditable Coverage:** If you have creditable coverage and do not wish to enroll in a Medicare Part D plan, please take a copy of your 2008 Certificate of Creditable Coverage to your ADAP Enrollment Worker. You do not need to apply for the ADAP Medicare Part D Premium Payment Program. Some individuals indicated that they have had difficulty obtaining these certificates. Here are a few tips to try:
 - Look in the “Evidence of Coverage” book that your insurance coverage provides each year. A “Creditable Coverage” statement is frequently placed in these books under “Medicare” or “other coverage.”
 - If you have not received these materials by mail, most evidence of coverage books are available online.
 - If you have insurance through a group or employer, ask the person in charge of benefits to assist you.

Medicare Part D Resource List

Medicare:

Web site includes general Part D information including links to important tools that can assist you with the Part D plan selection process.

www.Medicare.gov

(800) Medicare

Social Security Administration:

Web site includes “Extra Help” Low Income Subsidy (LIS) information including links to the LIS application. You can also apply for LIS in person at your Social Security Administration office or by telephone.

www.ssa.gov

(800) 772-1213

Health Insurance Counseling and Advocacy Program (HICAP):

Local agencies provide consumer counseling relating to all Medicare issues, including Medicare Part D. Offices are located in each county. Visit the Web site or contact the number below to locate the office in your county.

www.aging.state.ca.us/html/programs/hicap.html

(800) 434-0222

Cal-Medicare:

Web site includes California specific Medicare Part D information and a link to all local HICAPs (see above) in each county.

www.calmedicare.org

California ADAP:

Web site includes current information regarding ADAP’s Medicare Part D policies and application information for the new “ADAP Medicare Part D Premium Payment Program.”

www.dhs.ca.gov/ps/ooa

(916) 449-5900

Public Health Service Bureau:

This Pharmacy Benefits Management company contracts with ADAP to conduct the day-to-day administration of California’s ADAP. Web site includes links to the ADAP formulary, ADAP enrollment site, and ADAP pharmacy network information.

www.phsb.com

National Health Law Program:

Web site includes a link to an important new resource guide, “Medicare Part D and Dual Eligibles: A Guide for California Advocates.”

www.healthlaw.org