The Part D Benefit: Casualties Coming?

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Who Are "Dual Eligibles"?

- People who tend to be:
  - Sick
  - Cognitively Impaired
  - Underserved
  - Dependent on Multiple Medications
  - Institutionalized
  - Extremely Poor

Upheaval for "Full Duals"

- Dramatic change in coverage
  - New networks, formularies, private sector cost-containment tools
  - Increased copayments
- Appeals Process Inadequate
  - Difficult to navigate
  - No emergency supply of medications

Upheaval for “Full Duals”

- Access to medications disrupted
  - Deluge in doctors’ offices and pharmacies in January 2006
  - Suffering, death: hyperbole or reality?
- Unlikely that plans will accommodate existing treatment plans
  - No grandfathering of formularies
  - No requirement for open formularies

Upheaval for "Full Duals"

Nursing Home Residents

- Access to medications in nursing facilities will be dependent on market forces
- Facility staff must manage residents in multiple plans, with different formularies and networks

No Medicaid? Automatic Enrollment Is Key

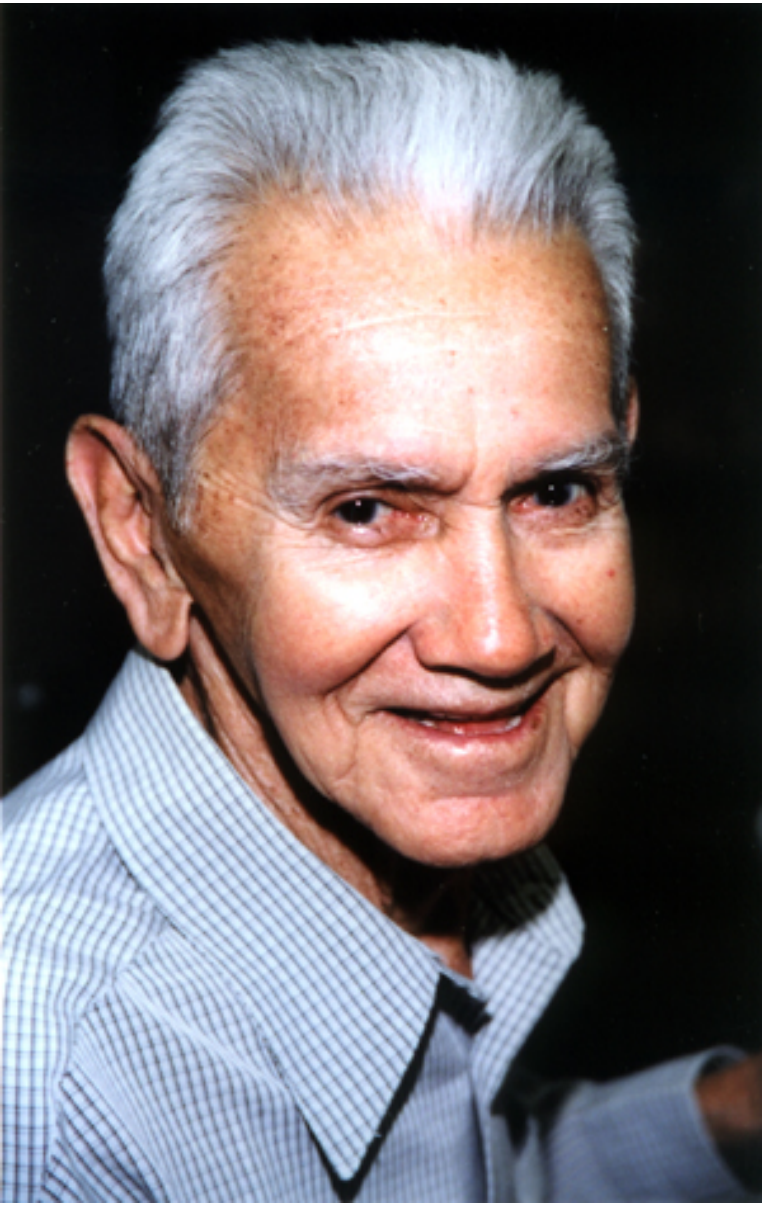
- Part B Enrollment versus Medicare Savings Programs
- Transitional Assistance and Discount Card Experiences
- Automatic enrollment in Low-Income Subsidy

Complex Enrollment and Eligibility Procedures

- Asset tests
- Joint bureaucracy creates additional hurdles
  - MSP screening/enrollment
  - Single application for all programs

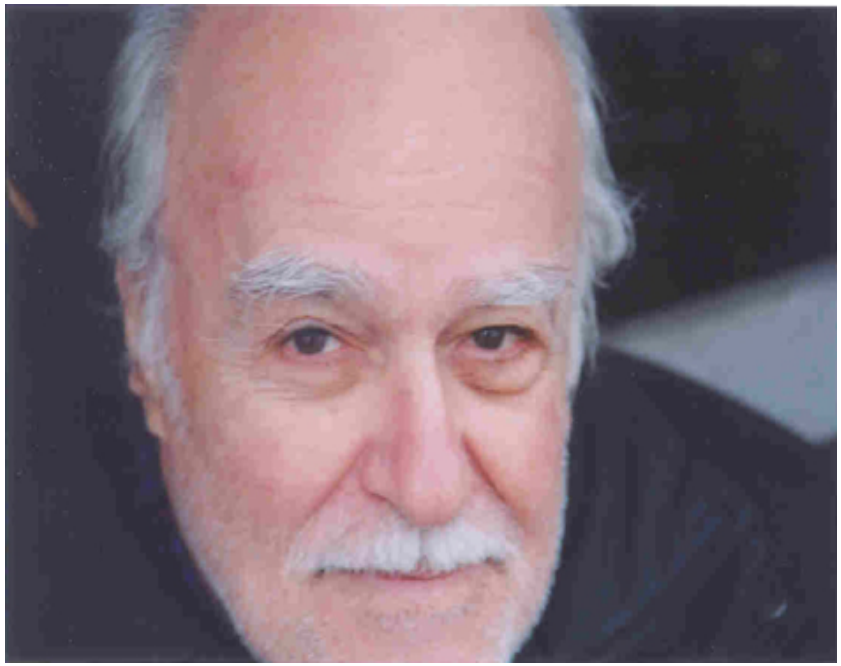
Renewal and Retention

- Failure to renew enrollment may lead to penalties
- Renewal procedures may vary across states, SSA



Individualized Assistance

- Simplification better choice
- Resource-intensive
  - Counseling on plan choices and effect on other benefits
  - Additional funding necessary



Looking Forward

- Medicaid coverage for an additional 6 months to one year
- Intensive education and individual counseling
- Automatic enrollment: dump asset test