



AMERICAN OSTEOPATHIC ASSOCIATION

MEDICARE PART D

HEALTH CARE REFORM

Provision	Effective Date	Summary
Medicare Coverage Gap Discount Program	January 1, 2011	The Secretary shall enter into agreements with manufacturers to provide beneficiaries access to discounted prices for drugs provided by the manufacturer. The Secretary shall monitor compliance by the manufacturer to the terms of the agreement and shall contract with one or more third parties to administer the requirements. For individuals who exceed the coverage limit for 2010, they shall receive \$250 from the Medicare Prescription Drug Account. The law also provides coverage of generic drugs in the coverage gap.
Improvement in Determination of Medicare Part D Low-income benchmark premium	January 1, 2011	Amends the Social Security Act regarding premium and cost-sharing subsidies for low income individuals.
Voluntary De Minimis Policy for Subsidy Eligible Individuals Under Prescription Drug and Medicare Advantage Prescription Drug (MA-PD) Plans	January 1, 2011	Under procedures established by the Secretary, the Secretary shall permit a prescription drug plan or MA-PD plan to waive the monthly beneficiary premium for a subsidy eligible individual if the amount of the premium is de minimis.
Special Rules for Widows and Widowers Regarding Eligibility for Low-Income Assistance	January 1, 2011	If a spouse dies during the effective period for a determination or redetermination, that period shall be extended for one year.
Improved Information for Subsidy Eligible Individuals Reassigned to Prescription Drug Plans and MA-PD Plans	January 1, 2011	When a subsidy eligible individual who is reassigned by the Secretary to a new prescription drug plan, the Secretary shall provide the individuals with information on formulary differences between the plans and a description of the individual's right to request a coverage determination, exception or reconsideration.
Funding Outreach and Assistance for Low-Income Programs		This provision provides additional funding for State Health Insurance Programs, area agencies on aging, Aging and Disability Resource Centers, and for Contract with National Center for Benefits and Outreach Enrollment.
Improving Formulary Requirements For Prescription Drug and Medicare Advantage Prescription Drug (MA-PD) Plans with Respect to Certain Categories or Classes of Drugs	2011	A Prescription Drug Plan (PDP) sponsor offering a drug plan shall be required to include all covered Part D drugs in the categories and classes identified by the Secretary. The Secretary may establish exceptions that permit a PDP sponsor to exclude a covered drug from its formulary. The Secretary shall establish criteria for making determinations.

Reducing Part D Premium Subsidy for High-Income beneficiaries	After December 2010	Premiums will increase for individuals whose modified adjusted gross income exceeds a certain threshold.
Elimination of Cost Sharing for Certain Dual Eligible Individuals	January 1, 2012	Amends the Social Security Act regarding premium and cost-sharing subsidies for low income individuals.
Reduce Wasteful Dispensing of Outpatient Prescription Drugs in Long-Term Care Facilities Under Prescription Drug and Medicare Advantage Prescription Drug (MA-PD) Plans	January 1, 2012	The Secretary shall require Prescription Drug Plan sponsors to use specific, uniform dispensing techniques, as determined by the Secretary, in consultation with relevant stakeholders, such as weekly, daily or automated to enrollees who reside in a long-term care facility to reduce waste associated with 30-day fills.
Improved Medicare Prescription Drug and Medicare Advantage Prescription Drug (MA-PD) Plan Complaint System	No date given	The Secretary shall develop and maintain a complaint system to collect and maintain information on Medicare Advantage-Prescription Drug and Prescription Drug Plan complaints. The system shall be able to report and initiate appropriate interventions and monitoring.
Uniform Exceptions and Appeals Process for Prescription Drug and Medicare Advantage Prescription Drug (MA-PD) Plans	January 1, 2012	Each Prescription Drug Plan sponsor shall use a single, uniform exceptions and appeals process with respect to the determination of prescription drug coverage for an enrollee under the plan; and provide instant access to such process by enrollees through a toll-free telephone number and an Internet website.
Office of the Inspector General Studies and Reports	July 1, 2011	The HHS Inspector General shall conduct a study on prices for covered Part D drugs and for covered outpatient drugs, and the financial impact of discrepancies in prices.
Including Costs Incurred by AIDS drug assistance programs and IHS in providing prescription drugs toward the annual out of pocket threshold under Part D.	July 1, 2011	Amends the Social Security Act regarding prescription drugs.