

Keep in Mind

- The next enrollment period for Medicare's prescription drug coverage is November 15–December 31, 2006, with coverage beginning on January 1, 2007.
- If you have questions or concerns, there are many resources available to help you pay your prescription drug costs and use your drug coverage successfully.
- You have the right to appeal decisions made by your drug plan.

- While we have made an effort to be current as of the issue date of this document (October 2, 2006), the information may not be as current or comprehensive when you view it.
- This document is provided for informational purposes only. Be sure to check with your insurance plan for your specific benefit information.



CKD & Diabetes Patient Dialogue: *Medicare*



FALL 2006 / VOLUME 1 / ISSUE 1

CKD & Diabetes Patient Dialogue: Medicare is a resource to help you keep up to date on how the Medicare Modernization Act and Medicare prescription drug coverage are affecting the treatment of chronic kidney disease and diabetes.

We'd like to hear what you think about this newsletter. Please write to us at editor@patientdialogue.com if you have questions about what you've read, suggestions for topics in future newsletters, a patient profile or any news of interest to you. You can also let us know if you have interest in submitting a story to us.

ORTHOBIOTECH



Medicare Part D and You

If you're over 65 and living with chronic kidney disease (CKD) (not on dialysis) and/or diabetes, you need to know about Medicare Part D.

This is the Medicare prescription drug benefit that started January 1, 2006. To date, more than 6 million people with Medicare have enrolled in private insurance plans that give them access to prescription drugs and may save them money. Generally, if you didn't enroll by May 15, 2006, your next opportunity to enroll is November 15–December 31, 2006, with coverage beginning on January 1, 2007.

If you are one of the more than 20 million Americans with CKD or among the nearly 21 million Americans who have diabetes – the leading cause of kidney failure – you probably take a variety of medications. And, if you're over age 65, it's likely that you're using medications for other conditions as well.

The newsletter **CKD & Diabetes Patient Dialogue: Medicare** was created by Ortho Biotech Inc. in collaboration with kidney and diabetes advocacy groups to help you make informed choices about the new Medicare prescription drug program. It contains useful information on programs that provide help, how to address problems obtaining your prescriptions and many resources.



Now That You're Enrolled

If you're enrolled in a plan, it's important to review information about the availability and costs of your medications. Read your monthly statements and keep receipts and invoices. If you don't receive a monthly statement, ask your plan for one.

Be aware that your drug plan can make changes to its formulary (the list of drugs that it covers) with 60 days' notice, but in most cases these changes won't affect you or your drugs this year if you're enrolled in a plan.

- Your plan can't stop providing the drug you're taking, change the terms for how it agreed to pay for the drug or make new requirements unless there are concerns about the drug's safety or effectiveness.
- Your plan can, with 60 days' notice, replace a brand-name drug with a new generic drug and require prior approval if you need to keep taking the brand-name drug.
- Your plan can add to its list of available drugs throughout the year.

Starting in October, Medicare plans will publish information on next year's drug coverage. Review your plan's 2007 prescription drug coverage as well as information on other plans so you can decide whether to stay with your current plan or switch to another. Plans can and probably will make changes in premiums, deductibles, co-pays and the drugs they cover. This information is particularly important if you're living with CKD or diabetes. Whatever coverage you choose between November 15–December 31 will take effect on January 1, 2007.

Making a Switch

If you aren't satisfied with your plan, you can switch to a different one from November 15–December 31 each year. You may also switch plans at other times if you move out of your plan's service area; if your plan stops service in your area; if you live in or move into or out of an institution, like a nursing home; if you lose your Medicaid coverage; if you have creditable prescription drug coverage and that coverage ends; if your plan has not met the terms of its contract; or if you're a Hurricane Katrina victim who lived in a designated ZIP code in August 2005.

It's best to learn whether the plan you are considering covers the drugs you take and what they cost – then choose the plan that makes the most sense for your health and your financial situation.

If you're enrolling in a plan after May 15, 2006 and you had a period of 63 days or more without drug coverage as good as or better than Medicare prescription drug coverage, your premium will increase at least 1% of the current year's national average premium per month for every fully uncovered month that you waited to enroll. You'll pay this higher premium as long as you have a Medicare prescription drug plan.

What Is and Isn't Covered?

Medicare Part D plans cover brand-name and generic drugs, but plans don't have to cover every prescription drug. The good news is that plans cover most medicines commonly prescribed for CKD and diabetes. For those of you with CKD, plans cover medications you may need to take for anemia, bone disease, high cholesterol, diabetes, heart problems, high blood pressure, depression or anxiety. If you have diabetes, Medicare covers supplies necessary to inject insulin, including syringes, needles, alcohol swabs and gauze as well as diabetic shoes.

Drugs that Medicare Part D doesn't cover include:

- Drugs you take in the hospital and that are covered under Medicare Part A
- Drugs you can get without a prescription
- Drugs for anorexia, weight gain or loss
- Fertility drugs
- Drugs for coughs and colds
- Drugs for erectile dysfunction
- Prescription vitamins, except prenatal vitamins

Words to Know

Annual enrollment period: The time each year, November 15-December 31, when people can enroll in a plan or change plans

Creditable prescription drug coverage: Prescription drug coverage (for example, from an employer or union) that is expected to pay, on average, at least as much as Medicare's standard coverage

Co-payment: The amount you pay for your prescriptions after you have paid the deductible

Dual eligible: A person eligible for Medicaid and Medicare

Deductible: The amount you must pay for healthcare or prescriptions before Medicare or other plans or insurance begins to pay

Formulary: A list of drugs covered by a plan. In some Medicare health plans, doctors must prescribe or use only drugs listed on the health plan's formulary

Out-of-pocket costs: Healthcare prescription drug costs that you must pay because they are not covered by Medicare or other plans or insurance

Premium: The periodic payment to Medicare, an insurance company or healthcare plan for healthcare or prescription drug coverage

Dual Eligibility

If you're entitled to Medicare Part A and/or Part B and are also eligible for Medicaid, you are considered "dual eligible." On January 1, 2006, your drug coverage switched from Medicaid to Medicare. If you're dual eligible, you have to pay a small co-payment for most medications, but you should never be charged a deductible, the amount you pay before Medicare begins to pay. Importantly, you have the right to switch plans each month with coverage effective the first day of the following month.

Extra Help: Low-income Subsidy

Medicare prescription drug coverage is available to everyone with Medicare. If your resources (stock/savings) are less than \$11,500 (single) or \$23,000 (married and living with spouse) and your income is less than \$14,700 (single) or \$19,800 (married and living with spouse), you may qualify for reduced or eliminated premiums and deductibles and reduced co-pay amounts. These amounts are for 2006 and will change in 2007. The amount of "extra help" (sometimes called a low-income subsidy) you get is based on your income and resources.

Know Your Rights: Exceptions and Appeals

You have the right to appeal Medicare decisions. If your plan doesn't pay for a medication you've been prescribed or if you aren't given your medication, you or your doctor can request an exception. An exception request has to say that you need the drug for a medical reason and it is either not on the list or is on the list at a higher price. Your doctor must also say that any other listed drug at any price won't work as well or will cause you problems. Exceptions are granted for 365 days.

If an exception request is denied, you can appeal certain decisions, including:

- Denials of medication coverage
- Restrictions limiting the number of doses within a specific amount of time
- Prior authorization regulations that require doctors to obtain permission before medications are covered
- Higher costs or co-payments due to a medication being classified in a more expensive "tier," or category

Tips:

- Ask your doctor if you're taking the right drugs to keep you in the best health possible. Take every drug your doctor orders, at the right dose and at the right times. If you have CKD, be aware of what drugs may harm kidneys so you can avoid them. Keep all healthcare providers current on your medications and their doses.
- Know your benefits and coverage by checking your plan package. Keep letters from Medicare or Social Security, Part D plan materials and a copy of your application in a safe place.
- When considering plans, think about what medications you take now and what drugs you may need in the future. You will save more with a "kidney-" or "diabetes-friendly" plan – one that covers most of the drugs your doctor tells you to take.
- When going to your pharmacy, take your prescription drug plan card, your Medicare card, photo ID, and enrollment letter (and Medicaid card, if applicable).
- If your situation is complex, Medicare counselors are available through the State Health Insurance Assistance Program (SHIP) to give you free, unbiased, one-on-one assistance.

Dollars and Sense

Like other insurance, with a Part D plan, you will pay a monthly premium. You will also pay part of the cost of your prescriptions, including a co-payment or co-insurance. Costs vary depending on which drug plan you choose. For additional information about costs, you can visit www.medicare.gov.



CKD and Diabetes Preventive Care

Preventive care is very important if you have CKD and diabetes or are at risk for either of them. Early detection and treatment can often keep CKD from getting worse and can decrease the chance of developing complications.

For people at risk for CKD: If you have risk factors for CKD, including diabetes, high blood pressure, a family history or older age, you should have three simple tests: blood pressure measurement, urine test for protein and blood test for creatinine, which is used to calculate your glomerular filtration rate (GFR), or level of kidney function. It's important to know your GFR because it shows you how well your kidneys are working.

For people with or at risk for diabetes, Medicare covers:

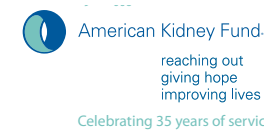
- A screening blood sugar test to check for diabetes. Medicare covers up to two diabetes screenings in a 12-month period and diabetes self-management training for certain people who are at risk for complications from diabetes. Your doctor must request this service.
- Cardiovascular screenings every five years that check your cholesterol, lipid (other blood fat) and triglyceride levels. High levels of cholesterol can increase your risk for heart disease and stroke, which account for about 65% of deaths in people with diabetes.
- An annual glaucoma screening examination under the direct supervision of an eye doctor legally authorized to perform this service under state law.

Support Programs

Advocacy organizations want to make sure that consumers with kidney disease and diabetes have uninterrupted access to the medications they need. Here is a snapshot of current advocacy programs in place to support you:



The American Association of Kidney Patients (AAKP) exists to improve the lives of fellow kidney patients and their families by helping them deal with the physical, emotional and social impact of kidney disease through various educational and public policy efforts. AAKP's Web site, www.aakp.org, offers important information about Medicare Part D and its impact on kidney patients. The AAKP Kidney Beginnings series, designed for those with reduced kidney function, features a bimonthly magazine, a book titled *Kidney Beginnings: A Patient's Guide to Living with Reduced Kidney Function* and educational sessions known as Kidney Beginnings Live. For further information, contact AAKP at 800-749-2257.



The American Kidney Fund (AKF) is offering a limited number of financial assistance grants to qualified chronic kidney disease patients, including transplant recipients, who are enrolled in Medicare Part D prescription drug plans. Assistance is available for medication co-payment/co-insurance amounts and/or plan deductibles. AKF's MIKE (Minority Intervention and Kidney Education) program addresses the high incidence of kidney disease among African Americans, Hispanics, Native Americans and Asian Americans by offering prevention strategies through comprehensive education, diagnostic screening, resource referral and supportive follow-up. Visit www.mikehelps.org or call 866-300-2900.



The Kidney Medicare Drugs Awareness and Education Initiative, www.kidneydrugcoverage.org, is a service of the kidney community designed to provide consistent, reliable and up-to-date information about Medicare and Medicare prescription drug coverage. The initiative's objectives include increasing awareness of how Medicare's prescription drug coverage works and raising people's confidence in their health plan; informing people with limited income and resources about how to get extra help; and, ultimately, helping people with kidney disease live long, healthy and full lives. Educational brochures and fact sheets are available for patients and their healthcare professionals. The community-wide initiative and Web site are coordinated by the National Kidney Foundation, Inc.



The American Diabetes Association (ADA) is encouraging people to become diabetes advocates. Along with funding diabetes research and providing diabetes information, advocacy is the third pillar in the organization's mission. Advocacy at ADA means working to significantly increase the federal commitment to cure, prevent and manage diabetes; end discrimination against people with diabetes; ensure that people with diabetes have access to adequate and affordable health insurance; and fight attempts to cut diabetes care within state Medicaid programs. ADA relies on the passion and hard work of its advocates to impact public policy. To get involved, log on to <http://advocacy.diabetes.org> and click on the link, "Sign Up for Advocacy E-Alerts."



The American Association of Diabetes Educators (AADE) is committed to connecting patients with diabetes educators. Diabetes educators are healthcare professionals who specialize in the care and education of people with diabetes. They give patients the strategies and support they need to successfully manage their diabetes. The association's Find an Educator program allows patients to find a diabetes educator in their communities by calling 800-TEAMUP4, using the locator tool on the AADE Web site, www.diabeteseducator.org, or asking a doctor to refer them to diabetes self-management training. It is covered by Medicare, many state Medicaid programs and most health insurance plans.

FAQs

What do I do if a drug I take is not covered?

Your pharmacist, doctor and plan can work together to get you the help you need.

- Ask your pharmacist to identify a generic or other alternative drug your plan covers. Then check with your doctor about the alternatives your pharmacist suggests.
- Ask your plan for an exception, if needed.
- Ask your plan for an expedited review, if urgent, and whether it will cover a temporary supply of the drug you use during the review.

Are any drug categories not included in Medicare prescription drug coverage?

Yes. However, except for non-prescription over-the-counter drugs, a plan can choose to cover excluded drugs.

What if I can't pay my co-payment?

The Centers for Medicare & Medicaid Services (CMS) is leaving it up to the pharmacy to decide if they will fill the prescription without a co-payment. If you cannot afford your co-payment, you may be able to go to another network pharmacy for service. Also, you may qualify for reduced co-pay amounts, depending on your income and resources.

Resources

- American Association of Diabetes Educators, www.diabeteseducator.org; 800-338-3633
- American Association of Kidney Patients, www.aakp.org; 800-749-2257
- American Diabetes Association, www.diabetes.org; 800-342-2383
- American Kidney Fund, www.kidneyfund.org; 866-300-2900
- National Kidney Foundation, www.kidney.org; 800-622-9010
- KidneyResource.com, a resource for CKD and anemia information, www.kidneyresource.com
- Kidney Medicare Drugs Awareness and Education Initiative, www.kidneydrugcoverage.org; 800-622-9010
- Medicare, www.medicare.gov; 800-MEDICARE (800-633-4227); TTY users should call 877-486-2048
- Centers for Medicare & Medicaid Services, www.cms.hhs.gov; 877-267-2323
- U.S. Social Security Administration, www.socialsecurity.gov; 800-772-1213; TTY users should call 800-325-0778
- State Health Insurance Assistance Program (SHIP), www.shiptalk.org