

**Medicare Minute Teaching Materials
Medicare Minute Teaching Materials – December 2015
Part B versus Part D drug coverage**

1) How does Medicare cover outpatient prescription drugs?

You can get Medicare prescription drug coverage through a Part D stand-alone prescription drug plan or through a Medicare Advantage Plan that includes prescription drug coverage. The Part B benefit also covers certain prescriptions. You have the Part B benefit regardless of whether you have Original Medicare or a Medicare Advantage Plan.

Most outpatient prescription drugs are covered under Part D. This is true whether you have a stand-alone Part D prescription drug plan or a Medicare Advantage Plan that includes Part D prescription drug coverage. Some drugs are covered under Part B *or* Part D, depending on the condition or illness the drug is being used to treat; how the drug is given to you (how it is administered); where the drug is administered (e.g., in the home, in the provider's office, or in the outpatient hospital setting). Below are some general rules that will help you understand when Medicare covers a drug under Part B or Part D (see table on pages 3-4 for detailed list).

• **Part B usually covers:**

- Drugs your doctor administers
- Drugs administered at a dialysis facility (the doctor or facility must provide the drugs)
 - Note: For most beneficiaries with ESRD, this Part B benefit is not available through Medicare Advantage Plans
- A small number of outpatient prescriptions you get from the pharmacy (mainly certain oral chemotherapy drugs)
- Certain vaccines (for example, the flu, pneumonia, and Hepatitis B)

• **Part D usually covers:**

- Most drugs you get from the pharmacy or through mail order (outpatient drugs)
- Most prescription drugs that you can administer yourself
- Most vaccines (for example, the shingles vaccine)

Note: If you are an inpatient in a hospital or skilled nursing facility, your drugs are usually covered by Part A. For objective counseling and assistance about which part of Medicare should cover your drugs, depending upon your circumstances, contact your State Health Insurance Assistance Program – or SHIP (see SHIP contact information on the last page).

2) How does Medicare cover vaccines?

The way Medicare covers vaccines and immunizations depends on which vaccine you need. The Part B benefit will cover vaccines to prevent:

- Influenza (the flu): Currently, the seasonal flu shot includes both a seasonal flu shot and an H1N1 (swine flu) vaccination
- Pneumonia
- Hepatitis B (if you are at medium to high risk)

If you have Original Medicare, doctors and other health care providers who accept assignment cannot charge you more than the Medicare approved amount. The pneumonia, flu, and Hepatitis B vaccines are fully covered (with no copay or deductible) if you see providers who accept assignment. If you get the Part B benefit through a Medicare Advantage Plan, check with your plan about rules related to your coverage for these vaccines.

The Part B benefit will cover some other immunizations only if you have been exposed to a dangerous virus or disease. For example, if you step on a rusty nail, Medicare will cover a tetanus shot; if you are bitten by a dog, Medicare will cover your rabies shots. If you are in a Medicare Advantage Plan, your plan may have additional rules you must follow.

Medicare Part D provides coverage for any commercially available vaccine that is not covered by Part B. Part D plans must include all commercially available vaccines on their formularies, including the vaccine for shingles (herpes zoster). Your Part D coverage will pay for the vaccination itself and for a health care provider to give you the shot. Before you get a vaccination, check with your plan to see where you can get your shot at the lowest cost.

3) What is the difference between medications you receive as an inpatient versus as an outpatient?

You can be a hospital outpatient or inpatient. It depends upon the status you are given by the hospital's attending physician when you were admitted. Typical outpatient hospital services can include elective procedures, some scheduled surgeries and treatments, emergency room visits, and observation stays to monitor you and decide whether you need inpatient care.

If you are an inpatient, the Part A benefit covers all of your medications. If you are an outpatient, your medications will be covered by either Part B or Part D, depending on the situation. Part B should cover all medications that relate to the reason for your hospital visit. On the other hand, Part D should cover medications that you administer yourself and do not relate to the hospital visit. If you get them from the hospital pharmacy, they may be out-of-network claims because hospital pharmacies are often not part of a Part D plan's network. You may need to pay the hospital for these medications and then send the bill to your Part D plan and ask it to reimburse you.

4) What do I do if I am denied coverage for my prescription drug because it was billed to the wrong part of Medicare?

This is an issue beneficiaries in Original Medicare may face. If you are denied coverage for a prescription drug, make sure that it was billed to the correct part of Medicare. If it was billed incorrectly to Part B and can be covered by Part D, contact your Part D plan to find out what steps you must follow. If you think Medicare Part B should cover your medication, you may want to appeal (ask Medicare to reconsider its decision). Your pharmacist, your provider, or your plan (when applicable) can help you understand your prescription coverage.

For objective counseling and assistance regarding appeals, contact your State Health Insurance Assistance Program – or SHIP (see SHIP contact information on the last page).

5) Please refer to the table below for an overview of drug coverage under Part B and Part D.

Type of Drug	Coverage under Part B	Coverage under Part D
Antigens. Some antigens used to treat allergies.	Administered by your doctor or self-administered.	Not covered.
Erythropoietin (Epoetin Alpha or Epogen)	If you have end-stage renal disease (ESRD), receiving dialysis, and need this drug to treat anemia. It may be administered by your doctor, ESRD facility, or you may administer it if you are selected for a home therapy program. If you have conditions other than ESRD and the drug is administered by your physician.	If you have conditions other than ESRD and you purchase it at the pharmacy.
Hemophilia Clotting Factors	You must have hemophilia. Only covered if it is self-administered.	Not covered.
Immunosuppressive Drugs for transplant patients	You had a transplant in a Medicare-certified facility and you were enrolled in Medicare Part A at the time you got the transplant. The immunosuppressive drugs must also be medically necessary to prevent or treat rejection of the transplanted organ. They must also be self-administered.	You had a transplant at a non-Medicare-certified facility. You were not enrolled in Medicare Part A at the time you had the transplant.
Infusion drugs	Drugs administered by an implantable infusion pump or drugs administered by an external infusion pump that you use at home.	Drugs administered by an external infusion pump that you use in the home, but your local DME contractor does not cover it under Part B for use in the home. Infusion drugs administered at home without an infusion pump at home. One example of this is an IV push.

Type of Drug	Coverage under Part B	Coverage under Part D
Inhalation drugs (provided by infusion or durable medical equipment supplier)	Drugs used with a nebulizer in the home.	Drugs administered without a nebulizer. For example: metered-dose inhalers, dry powder inhalers, nasal spray inhalers. In some cases, the inhaler itself may also be covered by your Part D plan.
Injectable Drugs	The drug generally cannot be self-administered and your doctor provides and administers the drug to you.	You buy the drug at the pharmacy and it is either administered by your doctor or you administer the drug yourself.
Injectable osteoporosis drugs for women who meet certain conditions	You receive Medicare home health benefits and you have a bone fracture related to post-menopausal osteoporosis. You also must not be able to administer the drug yourself and the Medicare home health agency provides you with the drug.	You do not receive Medicare home health benefits or you meet the requirements for Part B coverage, but you purchase the prescription directly from the pharmacy.
Intravenous Immune Globulin	If you use it to treat immune deficiency disease and it is used in the home.	If you use it to treat conditions other than immune deficiency disease and it is used in the home.
Medications you get as a hospital outpatient	If they relate to the care or procedure you are receiving in the hospital.	Medications you usually take and administer yourself.
Oral Anti- Cancer Drugs	It is an oral anti-cancer drug that was once available only in an injectable form that was covered by Medicare. You or your doctor can administer the drug. It must be used to treat cancer.	You use the drug to treat a condition other than cancer.
Oral Anti-Nausea Drugs (anti-emetics)	Must be related to cancer, used as a full replacement for intravenous treatment, and administered within 48 hours of cancer treatment. It can be administered by yourself or by a doctor.	The drug is used for conditions other than cancer. It is used more than 48 hours after cancer treatment or is not a full replacement for intravenous treatment.
Parenteral Nutrition (administered by infusion)	If you cannot absorb nutrition through your intestines.	If used for reasons other than a digestive track that does not work.
Vaccines	Flu, pneumonia, and Hepatitis B vaccines. If you have been exposed to a dangerous virus or disease.	All other commercially available vaccines, including the shingles vaccine.

6) What are some signs of potential prescription drug fraud or abuse that I should be aware of?

If charges for medicines you didn't receive show up on your Medicare statements, your Medicare number may have been used in a scheme to falsely bill Medicare. Look for the following warning signs:

- Billing for drugs not prescribed
- Billing for amounts beyond the quantity prescribed
- Billing for brand name drugs, but generic drugs were dispensed
- Billing for drugs not received or medically-necessary, particularly pain killers, which are lucrative on the black market. Prescription drug diversion is a growing problem.

If you receive calls offering you a prescription drug discount card and requesting your bank account number, it is a scheme aimed at stealing your money.

Contact your Senior Medicare Patrol program – or SMP – for help (contact information on the last page).

SHIP Case Study

Fiona, who just turned 65 years old and has Original Medicare, wants to get the flu shot at her local pharmacy but is worried that she would have to pay the full cost of the vaccine since her Part D plan has not yet taken effect. She wonders if her Medicare Part B might pay for some of the cost of this vaccine. What should Fiona do?

- Fiona should contact her SHIP for information about how Medicare covers vaccines.
- The SHIP counselor will explain that the flu vaccine is always covered at 100 percent by Medicare Part B, not Part D.
- If Fiona doesn't know how to find her SHIP, she can go to www.shiptacenter.org or call 877-839-2675 for assistance in locating her SHIP.

SMP Case Study

Yvonne, who is 68 years old, received an Explanation of Benefits (EOB) showing that her plan had covered the cost of pain medications, prescribed to her by a doctor whose name she didn't recognize. What should Yvonne do?

- Yvonne should contact the Senior Medicare Patrol and explain the situation.
 - If Yvonne doesn't know how to find her local SMP, she should contact the SMP National Resource Center at 877-808-2468, or use the online SMP locator at www.smpresource.org.
 - The SMP will review the details of Yvonne's statement and conduct further research. If fraud or abuse are suspected, the SMP will report it to the proper authorities
 - The SMP will provide her with tips for protecting her medical identity, in case her Medicare number was stolen to falsely bill Medicare.
- The proper authorities will determine if fraud has occurred based on the information Yvonne and the Senior Medicare Patrol provided.

SHIP National Technical Assistance Center: 877-839-2675, www.shiptacenter.org | info@shiptacenter.org

SMP National Resource Center 877-808-2468 | www.smpresource.org | info@smpresource.org

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Local SHIP Contact Information	Local SMP Contact Information
<p>SHIP toll-free:</p> <p>SHIP email:</p> <p>SHIP website:</p> <p>To find a SHIP in another state: Call 877-839-2675 or visit www.shiptacenter.org</p>	<p>SMP toll-free:</p> <p>SMP email:</p> <p>SMP website:</p> <p>To find an SMP in another state: Call 877-808-2468 or visit www.smpresource.org</p>
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