

MODULE 8: ELDERLY PHARMACEUTICAL INSURANCE COVERAGE (EPIC) PROGRAM

Objectives

Below are the topics covered in Module 8: Elderly Pharmaceutical Insurance Coverage (EPIC) Program. HIICAP counselors will learn about EPIC and how it works with Medicare Part D.

Assisting people with Medicare by informing them about the New York State EPIC Program can be very important. **See Module 6 for Medicare Prescription Drug Coverage (Medicare Part D).**

At the end of this module are the Study Guide Test and Answer Key.

WHAT IS ELDERLY PHARMACEUTICAL INSURANCE COVERAGE (EPIC) IN 2013?

- EPIC is New York State's prescription plan that helps eligible seniors pay for their prescription drugs **after any Medicare Part D deductible is met**. EPIC also covers approved Part D excluded drugs.
- EPIC covers almost all prescription medicines (including brand name and generic drugs) as well as insulin, insulin syringes and needles
- NYS Law requires all EPIC members to enroll in Medicare Part D drug plans. The two plans can be used together with EPIC supplementing Part D coverage to help seniors save more on their prescriptions. If seniors are not eligible to join a Part D plan, they cannot receive EPIC benefits.
- EPIC was restored (to how the program was prior to 2012) effective January 1, 2013 with some exceptions:
 - The EPIC Fee and Deductible Plans were restored.
 - EPIC provides secondary coverage of Medicare Part D covered drugs in all Part D phases **except the Part D deductible phase**.
 - Drug costs in the Medicare Part D deductible phase cannot be applied to the EPIC deductible.
 - EPIC covers many Part D excluded drugs (e.g. prescription vitamins and prescription cough and cold preparations).
 - EPIC does not provide temporary coverage for any drugs that are not covered by Medicare Part D while the doctor is pursuing an appeal.

EPIC: NEW YORK STATE'S SENIOR PRESCRIPTION PLAN

EPIC is New York State's senior prescription plan which currently benefits more than 260,000 New York State residents. Seniors are eligible to join EPIC if they are 65 or older, live in New York State and have annual income below \$35,000 if they are single or under \$50,000 if they are married. Seniors with a Medicaid spend-down, or who are enrolled in either the Medicare Savings Program or a Medicare Part D drug plan are eligible to join EPIC provided that they also meet the age, residency and income requirements. But, seniors who receive full Medicaid benefits are not eligible.

Seniors must also join a Medicare Part D prescription plan to use EPIC as supplemental coverage to pay for drug costs **after any Medicare Part D deductible is met**. While more than 260,000 seniors

are currently enrolled in EPIC, many more are eligible and could be saving more money. Encourage seniors you counsel to learn about and consider joining the EPIC program.

Please note: Individuals with disabilities who receive Medicare and are not yet 65 years old are not eligible for EPIC coverage. However, they may be eligible for the New York Prescription Saver drug discount card. More information on the Prescription Saver drug discount card is available later in this module.

EPIC covers almost all prescription medicines (including brand name and generic drugs) as well as insulin, insulin syringes and needles.

Be aware that seniors who meet any of the following conditions should be encouraged to investigate EPIC:

- Are enrolled in a Medicare Part D drug plan and need help paying for drugs **after any Medicare Part D deductible is met.**
- Are receiving Extra Help.
- Are on a Medicaid spend-down.
- Are enrolled in the Medicare Savings Program (NYS is paying for their Medicare Part A and/or Part B premium).
- Have no retiree health insurance plan.
- Have a retiree health insurance plan that is a Medicare Part D plan or have retiree coverage and are eligible to join a Part D drug plan.
- Have no Medicare supplement insurance and are considering purchasing a private Medigap policy that enables them to also enroll in a Part D drug plan.
- Are enrolled in a Medicare Advantage Plan (HMO, PPO or PFFS) with Part D.
- Have high out-of-pocket prescription drug costs and are enrolled in Part D.

Applying for EPIC

Applying for EPIC is very simple. People can enroll at any time during the year. The senior completes the application, which includes reporting their previous calendar year household gross income, including Social Security income (without Medicare premiums). The program requires that the member sign and complete the application. Verification of date of birth and income may be required at a later time if the information cannot be verified through Social Security Administration or NYS Tax Department. **Note:** Married couples must report joint annual income, even if only one spouse is applying for EPIC. Enrollment applications are available in English and Spanish.

NYS Law requires EPIC members be enrolled in Medicare Part D prescription drug plans.

However, seniors do not have to be enrolled in a Medicare Part D plan before applying for EPIC but they must enroll in a Part D drug plan before they can receive EPIC benefits There are no exceptions to this requirement.

Enrollment in EPIC provides seniors with a Special Enrollment Period (SEP) to join a Part D drug plan at any time of the year. Since EPIC is a State Pharmaceutical Assistance Program (SPAP), members can also use this SEP to change their Part D drug plan one time during the year.

EPIC'S TWO PLANS

When a senior enrolls in EPIC they will either have to pay a fee or meet a deductible. Determination of what plan a senior is enrolled in is based on their income level and their marital status.

EPIC's Fee Plan

The plan is available to single seniors with annual income up to \$20,000 or \$26,000 joint income if married. With the Fee Plan, there is an annual fee, which will be billed to the senior on a quarterly basis, with the option to pay annually, if desired. Seniors enrolled in this plan receive an EPIC identification card that they can use to buy prescriptions by paying the EPIC co-payment based on the allowed drug cost not paid by Part D (after any Part D deductible has been met). When used with their Medicare Part D plan, they save more on the cost of their prescriptions. The amount of the annual fee the senior pays is based on their previous year total gross income and marital status as shown below.

EPIC Fee Plan

SINGLE Annual Income	Annual Fee	MARRIED Joint Annual Income	Annual Fee (Each Person)
Up to \$6,000	\$8	Up to \$6,000	\$8
\$6,001 - \$7,000	\$16	\$6,001 - \$7,000	\$12
\$7,001 - \$8,000	\$22	\$7,001 - \$8,000	\$16
\$8,001 - \$9,000	\$28	\$8,001 - \$9,000	\$20
\$9,001 - \$10,000	\$36	\$9,001 - \$10,000	\$24
\$10,001 - \$11,000	\$40	\$10,001 - \$11,000	\$28
\$11,001 - \$12,000	\$46	\$11,001 - \$12,000	\$32
\$12,001 - \$13,000	\$54	\$12,001 - \$13,000	\$36
\$13,001 - \$14,000	\$60	\$13,001 - \$14,000	\$40
\$14,001 - \$15,000	\$80	\$14,001 - \$15,000	\$40
\$15,001 - \$16,000	\$110	\$15,001 - \$16,000	\$84
\$16,001 - \$17,000	\$140	\$16,001 - \$17,000	\$106
\$17,001 - \$18,000	\$170	\$17,001 - \$18,000	\$126
\$18,001 - \$19,000	\$200	\$18,001 - \$19,000	\$150
\$19,001 - \$20,000	\$230	\$19,001 - \$20,000	\$172
Over \$20,000	See Deductible Plan	\$20,001 - \$21,000	\$194
		\$21,001 - \$22,000	\$216
		\$22,001 - \$23,000	\$238
		\$23,001 - \$24,000	\$260
		\$24,001 - \$25,000	\$275
		\$25,001 - \$26,000	\$300
		Over \$26,000	See Deductible Plan

EPIC’s Co-payment Schedule

For Each Prescription Costing:	The Senior Pays:
Up to \$15	\$3
\$15 to \$35	\$7
\$35 to \$55	\$15
Over \$55	\$20

EPIC’S DEDUCTIBLE PLAN

Seniors with annual income ranging from \$20,000 to \$35,000 if single or \$26,000 to \$50,000 joint income if married are enrolled in the Deductible Plan. With the Deductible Plan there is no annual fee to join. Rather than pay a fee, enrollees pay the full price of prescriptions until they reach their annual EPIC deductible amount. After the EPIC deductible is met, enrollees pay only the EPIC co-payment on their prescription purchases for the rest of their coverage year – saving more on the prescription costs when used with their Medicare Part D plan. Deductible enrollees should show the pharmacist their EPIC identification card each time a prescription is purchased. The pharmacist will notify EPIC of each purchase. When the deductible amount is met, EPIC will let the pharmacist know right away that the enrollee can start saving on their prescription purchases. The amount of the deductible is based on the senior’s income for the previous year and marital status as shown in the chart below. **Please note that Deductible Plan members cannot apply drug costs for medications purchased in the Medicare Part D deductible phase to their EPIC deductible.**

Deductible plan members with income between \$20,001 to \$23,000 single or \$26,001 to \$29,000 married have to meet the Annual Deductible shown below because EPIC pays their Medicare Part D drug plan premiums each month. The EPIC Annual Deductible for members with incomes over \$23,000 single or \$29,000 married will be approximately \$519 less than the amounts shown (annual cost of a basic Medicare drug plan) to help the member pay their Part D plan premiums.

EPIC Deductible Plan

SINGLE Annual Income	Annual Deductible	MARRIED Joint Annual Income	Annual Deductible (Each Person)
Under \$20,000	See Fee Plan	Under \$26,000	See Fee Plan
\$20,001 - \$21,000	\$530	\$26,001 - \$27,000	\$650
\$21,001 - \$22,000	\$550	\$27,001 - \$28,000	\$675
\$22,001 - \$23,000	\$580	\$28,001 - \$29,000	\$700
\$23,001 - \$24,000	\$720	\$29,001 - \$30,000	\$725
\$24,001 - \$25,000	\$750	\$30,001 - \$31,000	\$900
\$25,001 - \$26,000	\$780	\$31,001 - \$32,000	\$930
\$26,001 - \$27,000	\$810	\$32,001 - \$33,000	\$960
\$27,001 - \$28,000	\$840	\$33,001 - \$34,000	\$990
\$28,001 - \$29,000	\$870	\$34,001 - \$35,000	\$1,020
\$29,001 - \$30,000	\$900	\$35,001 - \$36,000	\$1,050

SINGLE Annual Income	Annual Deductible	MARRIED Joint Annual Income	Annual Deductible (Each Person)
\$30,001 - \$31,000	\$930	\$36,001 - \$37,000	\$1,080
\$31,001 - \$32,000	\$960	\$37,001 - \$38,000	\$1,110
\$32,001 - \$33,000	\$1,160	\$38,001 - \$39,000	\$1,140
\$33,001 - \$34,000	\$1,190	\$39,001 - \$40,000	\$1,170
\$34,001 - \$35,000	\$1,230	\$40,001 - \$41,000	\$1,200
Over \$35,000	Not Eligible	\$41,001 - \$42,000	\$1,230
		\$42,001 - \$43,000	\$1,260
		\$43,001 - \$44,000	\$1,290
		\$44,001 - \$45,000	\$1,320
		\$45,001 - \$46,000	\$1,575
		\$46,001 - \$47,000	\$1,610
		\$47,001 - \$48,000	\$1,645
		\$48,001 - \$49,000	\$1,680
		\$49,001 - \$50,000	\$1,715
		Over \$50,000	Not Eligible

EPIC SENIORS ENROLLED IN MEDICARE PART D DRUG PLANS

- The EPIC program is used to supplement Medicare Part D drug plan coverage in order to provide greater savings. If a senior is not already in a Part D plan, EPIC will help them select a Part D plan upon request. Medicare Part D is primary coverage and must be used first. EPIC coverage will supplement the Medicare Part D coverage to provide seniors with greater savings. Seniors should show both their Medicare Part D drug plan and EPIC identification cards to their pharmacists. After any Part D deductible (if any) is met, drug costs not covered by Medicare can be submitted to EPIC for additional savings. Seniors will only pay the EPIC co-payment based on the amount of the drug cost that is not covered by the Medicare drug plan. This will usually be lower than using Part D alone to pay for the drug. EPIC also covers approved Part D excluded drugs.
- EPIC pays the Medicare Part D premium up to the cost of a basic (benchmark) Part D drug plan for members with income up to \$23,000 single or \$29,000 married. Those who have chosen to enroll in enhanced plans will be responsible for any additional premium amount each month. EPIC members in the Deductible plan with higher incomes are required to pay their monthly Medicare Part D drug premiums. To provide premium assistance, EPIC reduces their EPIC deductibles by the average yearly cost of a basic (benchmark) Medicare drug plan
- EPIC enrollees can be assured of the following:
 - EPIC will continue to exist to ensure that seniors receive the drugs they need.
 - Using Medicare Part D and EPIC together will provide seniors with maximum prescription coverage and savings.
 - EPIC coverage will supplement the Medicare benefit.

- Any prescription costs not covered by Medicare can be submitted to EPIC by the pharmacy.
- By using Medicare and EPIC together, seniors will pay the lowest possible co-payment and receive maximum coverage.
- The EPIC program will save money when the federal Medicare benefits are used, which will help the State to continue to provide the additional EPIC benefits.

EXTRA HELP FROM MEDICARE CAN HELP EPIC SENIORS SAVE EVEN MORE

EPIC seniors with limited income and resources (assets) may be eligible for Extra Help from Medicare to help pay for Medicare drug plan premiums and co-payments. The level of Extra Help provided depends on the senior's amount of income and resources. Seniors must be enrolled in a Medicare drug plan to benefit from Extra Help and they must use a pharmacy that participates in both their Medicare drug plan and EPIC in order to coordinate benefits.

- **EPIC Seniors Approved for the Full Extra Help** will pay as little as \$2.65 for generic and \$6.60 for brand name drugs in 2013. They will not have to pay any Medicare premiums because both Medicare and EPIC will pay up to the average basic (benchmark) cost of a Medicare drug plan each month. They will not have to pay any EPIC fee (premium).
- **EPIC Seniors Approved for Partial Extra Help With the Full Premium Subsidy** will have (up to) a \$66 Medicare Part D deductible and a Medicare co-payment of 15 percent. They will not have to pay any Medicare premiums because both Medicare and EPIC will pay up to the average basic (benchmark) cost of a Medicare drug plan each month.

EPIC Enrollees with Limited Incomes are Required to Provide Additional Information to EPIC

EPIC members with low-income who have not already applied for Extra Help are required by law to provide EPIC with asset and other necessary information to determine if they qualify for the Medicare Part D benefit – Extra Help. EPIC will send current and new enrollees a Request for Additional Information form that they must complete and return as a condition of eligibility to receive EPIC benefits. EPIC will use the collected information to apply to the Social Security Administration (SSA) for the subsidy on the enrollees' behalf.

Enrollees must complete, sign and return the Request for Additional Information form from EPIC in order to keep their EPIC coverage. Extensive outreach will be offered to encourage seniors to complete the application to avoid any disruption in their EPIC coverage.

As a result of a federal law, the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), any income-eligible senior whom EPIC assists in applying for Extra Help using the Request for Additional Information process automatically has their information sent by the Social Security Administration to the NYS Department of Health for consideration for a Medicare Savings Program (MSP) benefit.

EPIC and the Health Insurance Information, Counseling and Assistance Program (HIICAP) will assist EPIC seniors with filling out applications to apply for Extra Help. Seniors can call the HIICAP Helpline (1-800-701-0501) to request help in filling out the Request for Additional Information form.

Seniors with Medicaid Spend-down

Seniors receiving Medicaid who must meet a spend-down before qualifying for full Medicaid benefits can join EPIC if they are 65 or older and meet the income and residency requirements

Seniors in the Medicare Savings Program (QMB, SLMB, QI-1)

EPIC enrollees approved for (QMB, SLMB or QI-1) are deemed eligible for the Medicare Extra Help full premium subsidy. If they are enrolled in a Medicare Part D drug plan, they are not required to pay EPIC fees.

Seniors already enrolled in a MSP (who are receiving assistance from NYS to pay their Medicare Part A and/or Part B monthly premiums) can enroll in EPIC if they are 65 or older and meet the income and residency requirements. These seniors are automatically eligible for the Extra Help full premium subsidy from Medicare and EPIC will help them enroll in a Medicare drug plan upon request. Once enrolled in a Medicare drug plan, these seniors will pay no Medicare premium. Their Medicare Part D drug plan will be their primary drug coverage and EPIC will provide secondary drug coverage for brand name drugs reducing the \$6.60 co-payment to \$3.00 using EPIC. They will not have to pay any EPIC fees.

Pharmacies Participating in EPIC

Seniors must purchase their prescriptions at a pharmacy participating in EPIC in order to use their EPIC coverage. Almost all community pharmacies in New York State, as well as several mail order pharmacies in the State, participate in EPIC. If the Part D plan has an out-of-state mail order option and the drug the senior needs is covered by Part D they may be able to use that mail order service to fill their prescription. Seniors can call the EPIC toll-free Helpline at 1-800-332-3742 to inquire if their pharmacy is participating in EPIC. Prescriptions purchased at a non-participating pharmacy will not be covered.

Part D Premium Assistance

EPIC pays the Medicare Part D premiums for members with income up to \$23,000 single or \$29,000 married. Those with higher incomes must pay their Part D plan premiums. To help them pay, EPIC lowers the EPIC deductible by the average annual cost of a benchmark Medicare drug plan. Deductible Plan members with income ranging between \$20,001 - \$23,000 single or \$26,001 - \$29,000 married do not receive a lower EPIC deductible because EPIC is paying their Part D plan premiums.



Reference: *Your Guide to EPIC, Elderly Pharmaceutical Insurance Coverage*

Did You Know? Recent widows who apply for EPIC need only report their own previous year income including one-half of any joint accounts.

Important Note: EPIC is a New York State program and is not affiliated with any private insurance companies or their agents. EPIC benefits are provided by New York State and are not related to any private Medigap or any other insurance policies. Private insurance agents do not represent the EPIC program. EPIC insurance cannot be marketed by agents of private insurance companies in order for them to sell private insurance policies. Seniors that receive unwanted telephone solicitations or home visits from private insurance agents that use EPIC coverage to encourage them to purchase

private insurance should report the name of the agent or the insurance company to the EPIC Helpline at 1-800-332-3742.

NEW YORK PRESCRIPTION SAVER – DISCOUNT CARD

New York Prescription Saver (NYPS) is a free pharmacy discount card that can lower the cost of prescriptions by as much as 60 percent on generics and 30 percent on brand name drugs.

How it Works

Cardholders just show their cards at a participating pharmacy to receive the cash discount right at the counter. Most prescription drugs are eligible for a discount. The card is sponsored by New York State and it is supported by pharmacies and drug manufacturers which are providing these generous discounts. The card cannot be used with other insurance.

Who Can Join

New York State residents who are not receiving Medicaid and:

- are either 50 to 64 years of age or persons of any age determined to be disabled by the Social Security Administration **AND**
- have annual income under \$35,000 (single) or \$50,000 (married).

How to Apply

- Apply online on the NYPS Web site at <http://nyprescriptionsaver.fhsc.com>; **OR**
- Print an application from the NYPS Web site, complete it and mail to:

New York Prescription Saver
P.O. Box 12069
Albany, NY 12212-2069

OR

- Apply by phone at 1-800-788-6917 (TTY users call: 1-800-290-9138).

What Happens Next

- If approved, a discount card will be mailed within two weeks after the application is received.
- The card can be used at any participating pharmacy.

If you have questions, please call the NYPS Helpline at: 1-800-788-6917 (TTY 1-800-290-9138).

Sources of Assistance

NYS OFA HIICAP Hotline **1-800-701-0501**

1-800-MEDICAR(E) **1-800-633-4227**
www.medicare.gov

NYS Office for Aging Senior Hotline **1-800-342-9871**

Elderly Pharmaceutical Insurance Coverage (EPIC) Program
P.O. Box 15018 **1-800-332-3742**
Albany, New York 12212-5018 **TTY: 1-800-290-9138**

E-mail: EPIC@Health.state.ny.us
http://www.nyhealth.gov/health_care/epic/

New York Prescription Saver **1-800-788-6917**
P.O. Box 12069 **TTY: 1-800-290-9138**
Albany, NY 12212-2069

E-mail: NYPS@health.state.ny.us
<http://nyprescriptionsaver.fhsc.com>

Additional Resources

- *EPIC Enrollment Brochure* – English and Spanish
 - <http://www.health.ny.gov/forms/doh-3409.pdf>
- *EPIC Information Sheet*

STUDY GUIDE MODULE 8: EPIC

EPIC, the New York State prescription drug program, may help pay your client's prescription drug costs.



Read your *HIICAP Notebook* for information on EPIC



1. EPIC: NEW YORK STATE'S ELDERLY PHARMACEUTICAL INSURANCE COVERAGE

Review an EPIC brochure and your HIICAP Notebook to find the answers to the following questions:

- a. To be eligible for EPIC one must be:
 1. age _____
 2. a resident of _____, and
 3. single with previous year's annual income of \$ _____ or less, or married with previous year's annual income of \$ _____ or less.



In Summary: Review these basic concepts of EPIC.

- A senior may be eligible for EPIC, the New York State prescription drug program, if they are a New York State resident, over age 65 with an income of less than \$35,000 for an individual or \$50,000 for a couple.
- EPIC members are required to also have a Medicare Part D drug plan.
- If a senior is receiving full Medicaid benefits, they are not eligible for EPIC.

If a senior has a Medicaid spend-down or buy-in, they are eligible to apply for EPIC if they meet the other enrollment criteria.

ANSWER KEY MODULE 8: EPIC

EPIC, the New York State prescription drug program, may help pay your client's prescription drug costs.



Read your *HIICAP Notebook* for information on EPIC.

**1. EPIC: NEW YORK STATE'S ELDERLY PHARMACEUTICAL INSURANCE COVERAGE**

Review an EPIC brochure and your HIICAP Notebook to find the answers to the following questions:

- a. To be eligible for EPIC one must be:
 1. age 65 or older,
 2. a resident of New York State, and
 3. single with previous year's annual income of \$35,000 or less, or married with previous year's annual income of \$50,000 or less.
- b. .



In Summary: Review these basic concepts of EPIC.

- A senior may be eligible for EPIC, the New York State prescription drug program, if they are a New York State resident, over age 65 with an income of less than \$35,000 for an individual or \$50,000 for a couple.
- EPIC members are now required to also have a Medicare Part D drug plan.
- If a senior is receiving full Medicaid benefits, they are not eligible for EPIC.
- If a senior has a Medicaid spend-down or buy-in, they are eligible to apply for EPIC if they meet the other enrollment criteria.