



***HIICAP Training  
New York State EPIC Program – July 1, 2011 and January 1, 2012  
Program Changes***

---

**Background**

The recently enacted State budget included changes to the EPIC program that will reduce program costs yet still provide drug and premium assistance for members enrolled in Part D. In addition, EPIC will increase Part D premium assistance to include many more members. The new EPIC program will be free and will supplement Medicare Part D drug coverage for drugs purchased in the Part D coverage gap. The changes to the program will be implemented in two phases.

**July 1, 2011 Description**

**Part D Premium Assistance Expansion**

Beginning on July 1, 2011, EPIC will expand Part D premium assistance from the current annual income levels of \$20,000 single and \$26,000 married to \$23,000 single and \$29,000 married. The expansion in premium assistance will result in an additional 28% of the low income deductible members receiving monthly premium assistance via EPIC. Members with higher incomes will continue to pay their monthly Part D premium.

**Deductible Credit Elimination**

The July 1, 2011 legislation eliminates the EPIC deductible credit of up to \$464 that was applied to the original EPIC deductible threshold for all current deductible members enrolled in Medicare Part D. Even if a member already met the lower deductible they will have to pay this additional deductible amount before they can resume paying EPIC co-payments.

**July 1, 2011 Implementation**

A communication plan has been developed. Members in the EPIC Deductible Plan, providers, Part D plans, advocates and other stakeholders will be notified in advance about changes to the program effective July 1, 2011. EPIC outreach and Helpline staff is being trained to assist members with the program changes. The EPIC website will be updated. The EPIC system is being modified to accommodate the changes.

## **January 1, 2012 Description**

Beginning January 1, 2012, the EPIC program will be highlighted by the following:

### **Eligibility**

- The new program will be free; members will have no EPIC fees or deductibles.
- Members must be NYS residents age 65 or older.
- The current income limits will be the same - up to \$35,000 single and up to \$50,000 married.
- Members cannot receive full Medicaid benefits but may have a Medicaid spenddown.
- EPIC will pay Medicare Part D drug premiums for members with income up to \$23,000 single or \$29,000 married.
- Members with higher incomes are responsible for paying their monthly Part D drug premium.

### **Part D Enrollment**

- Members must be enrolled in a Part D plan in order to maintain EPIC coverage.
- Members can apply for EPIC coverage before enrolling in Part D and if approved they will receive a Special Enrollment Period (SEP) to enroll in a Medicare Part D drug plan at any time of the year.
- Members will not be able to receive EPIC benefits until they are enrolled in a Part D drug plan.
- EPIC will continue to assist members to enroll in Part D drug plans.

### **EPIC Drug Coverage**

- EPIC will provide secondary coverage for prescription medications when an enrollee reaches the Medicare Part D coverage gap (aka donut hole).
- EPIC will provide coverage for Part D excluded drugs purchased while the member is in the Medicare Part D coverage gap.

### **Low Income Subsidy (LIS Members)**

- EPIC will continue to provide Part D premium assistance for those members with Partial LIS and those with LIS who are in enhanced plans.
- EPIC will continue to apply for the Medicare Low Income Subsidy (LIS) and Medicare Savings Program (MSP) for income eligible members.

### **New EPIC Program**

- Members in Medicare Advantage (MA) plans will have to join a Medicare Advantage plan with Part D (MAPD) (with assistance from EPIC) if they want to remain in EPIC.
- EPIC will provide free insurance and become a safety net to those with higher drug costs that reach the Part D coverage gap.

## **January 1, 2012 Implementation**

All members, pharmacies, Part D plans, physicians, advocates and stakeholders will be notified in the fall that EPIC is changing effective January 1, 2012. New materials will be developed. EPIC outreach and Helpline staff will be trained to assist members with the program changes. The EPIC website will be updated. System development will be completed to accommodate the changes.

In the fall, EPIC will facilitate the enrollment of eligible members into Part D plans and Medicare Advantage Plans with Part D in order to get as many members enrolled into Part D plans for January 2012 as possible. EPIC will reassign members to benchmark plans in 2012 based on Centers for Medicaid and Medicare (CMS) guidelines. EPIC will also mail Request for Additional Information forms to members who have lost their deemed status in order for them to apply for LIS from Medicare effective 2012.

The EPIC Temporary Coverage Request (TCR) Helpline will continue to be available to approve physician requests for temporary coverage of drugs that are not covered by Part D until December 31, 2011.

Effective January 1, 2012, the new EPIC program begins and secondary coverage will only be provided for drugs purchased during the Part D coverage gap that are approved by the Part D plan or drugs purchased during the Part D coverage gap for the Part D excluded classes.