



News Release

CALIFORNIA DEPARTMENT OF HEALTH SERVICES

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MEDI-CAL NOTIFIES ONE MILLION SENIOR AND DISABLED BENEFICIARIES THEIR DRUG COVERAGE WILL SWITCH JAN. 1 **Federal Medicare Program Will Take Over**

SACRAMENTO – Nearly one million seniors and disabled individuals whose prescription drugs are currently paid by Medi-Cal are being reminded starting today that Medicare will begin providing this coverage on Jan. 1 under the new federal Medicare Modernization Act.

Medicare currently provides hospitalization and health care benefits, but not prescription drugs, to its beneficiaries. Medi-Cal, California's version of the federal Medicaid health care program for the needy, has been providing prescription drug coverage to beneficiaries who are enrolled in both programs. Medi-Cal has already advised these "dual eligibles" about the switch in coverage through a series of mailers.

The "Notice of Action" being mailed to beneficiaries this week informs them of a "reduction of benefits" as required by federal law when there is a change in benefits. The change is that Medicare rather than Medi-Cal will provide prescription drug coverage. No other benefits will be affected.

"Today's notice is the latest of our continued efforts to ensure that the dual eligible population is informed of the upcoming switch in prescription drug coverage," said Stan Rosenstein, deputy director of Medical Care Services, California Department of Health Services. "To avoid confusion, we have been providing pertinent information through mailers to dual eligibles this fall. Another mailing will be issued later this month."

In addition to mailings previously sent by the federal government, these Medi-Cal mailers, in 12 languages, describe the upcoming transfer of drug coverage from Medi-Cal to Medicare and assure the beneficiaries there will be no reduction in drug benefits. Both the mailers and the Notice of Action point out that certain drugs excluded from Medicare coverage will continue to be paid for by Medi-Cal, including over-the-counter medications, cough and cold drugs, barbiturates, benzodiazepines and prescribed vitamins.

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“To ease the transition for beneficiaries affected by this change, Gov. Arnold Schwarzenegger invested \$100 million in the state budget for outreach, training, support and continuity of care,” Rosenstein said. “To prevent a lapse in coverage, Medi-Cal also will offer up to a 100-day prescription refill on needed drugs through the end of the year.”

The federal and state governments, public and private advocates, pharmacists and drug companies have been actively involved in outreach and education efforts over the past six months to remind seniors and disabled individuals of this switch and offer assistance to select a program that best meets their needs.

Dual eligible beneficiaries were notified last month by Medicare of the plan in which they will be automatically enrolled if they do not select one by Dec. 31. The automatic enrollment is intended to ensure no gap in drug coverage. If the plan does not meet their needs, dual eligibles can switch to another one at any time. Other enrollees must wait until the next open enrollment period to switch plans.

“It is critically important that these beneficiaries take time now to review the drug plan that will provide their medicines, determine if it meets their needs and then change plans if necessary,” Rosenstein said.

During this transition, most Medicare plans will offer dual eligibles one automatic refill of any prescription covered by Medi-Cal. Medicare has also established other safeguards to ensure that dual eligibles do not experience a lapse in drug coverage.

Beneficiaries who have questions about their coverage should call the toll-free, 24-hour Medicare hotline, 1-800-MEDICARE (1-800-633-4227) or visit the Medicare Web site at <http://www.medicare.gov>.