

# Consumer Center for Health Education and Advocacy

A Project of Legal Aid Society of San Diego, Inc.

April 2006



Helping low-income individuals  
and families access health care

## Medicare Part D implementation was (and continues to be) challenging for everyone

The implementation of Medicare Part D went just as many advocacy organizations predicted: badly. People left pharmacies without their prescription drugs for reasons ranging from not having the money for co-payments to not being found on the eligibility rosters of their assigned plans. (Please read the case stories on page two for an understanding of the impact on dual eligibles.)

The Consumer Center along with organizations across the nation asked the Centers for Medicare and Medicaid Services (CMS) for *immediate relief* for the dual eligible beneficiaries they represent. The January 2006 letter requested that CMS take the following actions immediately:

- Alert all pharmacists who fill prescriptions for dual eligibles that they will be reimbursed regardless of whether the pharmacist can verify coverage or subsidy eligibility.
- Assure states that they can continue Medicaid (Medi-Cal) coverage for their dually-eligible residents and be reimbursed for such payments.
- Assure that all individuals who identify themselves as eligible for the full low-income subsidy pay co-payments of no more than \$1 for generic drugs and \$3 for brand name drugs.



Visit [www.nslc.org](http://www.nslc.org) to read the full text of the letter.

### For more information . . .

The Medicare Part D issue is much too complex to fully cover in our newsletter. For more information check out these websites:

- Health Consumer Alliance: [www.healthconsumer.org](http://www.healthconsumer.org)
- National Senior Citizens Law Center: [www.nslc.org](http://www.nslc.org)
- California Health Advocates: [www.calmedicare.org](http://www.calmedicare.org)
- Center for Medicare Advocacy: [www.medicareadvocacy.org](http://www.medicareadvocacy.org)
- Families USA: [www.familiesusa.org](http://www.familiesusa.org)
- Medicare Rights Center: [www.medicarerights.org](http://www.medicarerights.org)
- California HealthCare Foundation: [www.chcf.org](http://www.chcf.org)
- Health Assistance Partnership: [www.healthassistancepartnership.org](http://www.healthassistancepartnership.org)
- Kaiser Family Foundation: [www.kff.org](http://www.kff.org)



## Governor issues and reissues emergency order

California joined 32 other states in providing emergency relief to dual eligibles (those who have both Medi-Cal and Medicare coverage). Senate Bill 1233 authorizes Governor Arnold Schwarzenegger, upon notice to the Joint Legislative Budget Committee, to extend emergency coverage in 30-day periods through May 16, 2006.

The Governor has extended the coverage through April 16, 2006. Under this temporary system, pharmacists who have tried and failed to obtain reimbursement from a Medicare Part D plan can bill the California Department of Health Services for prescription drugs.

Providers can visit the Medi-Cal website ([www.medi-cal.ca.gov](http://www.medi-cal.ca.gov)) for information on filing claims and extensions beyond April 16.

## Alliance Healthcare adds to project funding

Thanks to the Alliance Healthcare Foundation for continuing its funding to assist dual eligibles during the implementation of Medicare Part D. The supplemental funding allowed the Consumer Center to hire a bi-lingual English/Spanish project specialist to conduct outreach and help individual clients.

Coming in May . . .



*From our Executive Director*

## Admit mistake and undo the injustice

I am not prone to conspiracy theories, but the Medicare Part D plan makes me wonder. Why would our government enact a program that penalizes our seniors and persons with disabilities? Not only does the new program *penalize* taxpayers, it *rewards* gigantic, for-profit pharmaceutical companies.

The *San Diego Union-Tribune* looked at this subject in a February 16 article on the Medicare Part D Prescription Drug *disaster*. The article points out there are really two issues involved in the Medicare Part D legislation: first, the inability of Medicare to negotiate quantity drug discounts for its recipients and second, the out-of-control influence peddling that seems to have become standard on Capitol Hill.

In the case of negotiating discounts, the newspaper cited government watchdog groups as agreeing that Congress gave in to the drug companies and banned Medicare from negotiating quantity discounts *despite the fact that the Veterans Health Administration saves taxpayers billions of dollars through negotiations*.

In the case of influence peddling, it is an issue with which San

Diegans are all too familiar. When it comes to the Medicare Part D situation, one example is former Rep. Billy Tauzin, a Louisiana Republican. This man chaired the House Energy and Commerce Committee that oversaw regulation of the pharmaceutical industry. In this position, he was instrumental in creating major parts of the Medicare Part D bill.

As we already know, the bill passed. Do you know what happened to Tauzin? He is now the *president* of the Pharmaceutical Research and Manufacturers of America.

Please take a minute to read the case stories on the right. These people allowed us to tell their stories so others would understand the impact this transition has had. These types of stories abound across our country.

I hope you agree that this is a mistake. We can do better for our nation's poorest and sickest people. I hope our legislators admit their error and return this vulnerable population back to our state Medicaid programs.

To share your thoughts, please contact me at [GEK@cchea.org](mailto:GEK@cchea.org) or (619) 471-2620.

*Gregory E. Knoll*

## Part D impact is traumatic for many

Here are a few stories of how Medicare Part D has affected people's lives.

### Homework did not help

In 2005, Otis researched the best drug plan for his 49-year-old, dual eligible daughter. He called each of the 10 plans covered by the low-income subsidy to ask about their formularies and picked the plan that covered the drugs that his daughter needed. Or, so he thought.

In 2006, he called the pharmacy to see how much his daughter's drugs would cost and learned that one medication cost \$147 and another \$78. His family cannot afford these co-payments.

### Electricity or medicine?

On a fixed income of \$832 a month, Elizabeth, age 60, takes 20 medications a day for diabetes, stomach and thyroid problems, depression, asthma, high blood pressure, acid reflux and arthritis. She does not know how she will pay the co-payments. She says, "It's so humiliating to not have the co-pay for the medication." Last month, she said that she paid her co-pays instead of her full electricity bill.

### Forsaking 10 medications

Sixty-one-year old Linda has heart and lung disease, osteoporosis, fibromyalgia and is a cancer survivor. She normally takes 27 medications, but is out of 10 of the medications now. Why? She cannot afford the \$3 co-payments. "Three dollars might not seem like a lot to some people," Linda said, "but it's like \$100 to me."

Linda receives a monthly income of \$842 from Social Security. With rent of \$700, it is easy to see that the balance must serve many uses. She will not allow friends or her social worker to help with her co-payments, citing that it is the government's fault that she is in this situation.

## Advocacy program helps uninsured patients

The Consumer Center's Benefits Advocacy Project helped low-income, uninsured Scripps Mercy Hospital patients obtain health care benefits and services while also reducing the amount of uncompensated care Scripps Mercy delivers. The project is funded through a Scripps Community Benefit Grant.

Scripps Mercy staff works with its uninsured patients to help them obtain health coverage for which they are eligible. However, many patient cases are complicated and require more advocacy than the hospital staff can provide. Our project focuses on these most time-consuming cases.

A full report of the project's first year is not yet available, but a sampling of results looks promising. Based on a sample of 14 referrals received by our project staff, our advocacy efforts resulted in Scripps Mercy receiving reimbursement for: 44 bed days, 24 clinic visits, 35 outpatient hospital visits and 37 emergency room visits.

## Case story: hospitalized man seeks CMS coverage

A man with severe medical problems applied for County Medical Services (CMS) through the county's Hospital Outstation Services (HOS) program. The consumer, who was extremely weak due to lung disease, alternated between Scripps Mercy hospital and a nursing home for three months.

The HOS program is designed to facilitate transmission of applications between participating hospitals and the county. In this case, CMS approved services for the consumer several months after his initial hospitalization, but it set the application date *later* than the initial hospital admission date. Scripps Mercy staff contended that it had referred the consumer's application correctly.

Through the Consumer Center's Benefits Advocacy Project, an advocate helped the consumer appeal the CMS onset date. The county denied the appeal at the Supervisory Review Level, so our advocate helped the consumer request an Administrative Hearing.



At the hearing, our advocate argued that CMS' 10-day policy violated the consumer's rights as an indigent, incapacitated San Diego County resident, citing sections of the Welfare and Institutions Code. The hearing officer agreed and ordered CMS to recognize the date of admission for three months before the county's approval date.

The Consumer Center will continue working with the county, along with the Hospital Association of San Diego and Imperial County, to improve the HOS process.

## County to change Medi-Cal computer eligibility system

Help spread the word to Medi-Cal beneficiaries that reaching their assigned eligibility worker could be difficult in June and that they may be speaking to someone new.



The county is changing its entire computerized eligibility system. While current eligibility workers are being trained on the new, interactive system, the county is hiring retired eligibility workers to assist with eligibility processing. Please advise patience and openmindedness during this time!



### From a satisfied client

*"... Thank you so much for going that extra mile for me. Your professional behavior and yet personal touch kept me calm and made the situation that was terrible, getting this insurance straighten out, bearable. Your calm and straightforward demeanor talking to the companies involved, I feel, made things go a lot more smooth than they would have..."*

Muriel S.



### Healthy San Diego Corner

Care1st Health Plan began operating in San Diego County on February 1, 2006. Primarily a Medi-Cal health plan, Care1st also has offices in Los Angeles, Sacramento and Arizona. In 2005, Care1st ranked number one in California for Medi-Cal language services according to the Department of Managed Health Care Office of the Patient Advocate's 2005 study.

There are now six Healthy San Diego members: Blue Cross of California, Care1st Health Plan, Community Health Group, Health Net of California, Kaiser Permanente and Molina Healthcare.

**Consumer Center  
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The Consumer Center is funded by the County of San Diego, The California Endowment, Alliance Healthcare Foundation, Legal Aid Society of San Diego, Inc., Office of the Patient Advocate and the National Council on Aging. The Consumer Center is a member of the Health Consumer Alliance.

**Consumer Hotline  
Toll-Free 1-877- 734-3258**

**HOURS  
Monday - Friday:  
9 a.m. to 5 p.m.**

Our staff speaks English, Spanish and Vietnamese. For other languages, including Arabic, we use CyraCom International.

**Welcome new staff**

Several new staff members have joined the Consumer Center. **Dennise Alonso** is a project specialist who joins us under our supplemental Alliance Healthcare grant for Medicare Part D advocacy. **Robert Sise** is a project specialist leading our Low-Income Subsidy Project. And, finally, **Jessica Baker** joins us as an intake specialist.

**Volunteers do great job**

The Consumer Center extends a special thanks to **Bank Dawson, Michelle Dicks** and **Lorraine Jeanes** and the many other volunteers who donated time to help Medicare beneficiaries during the Medicare Part D implementation. Their assistance was instrumental in helping consumers. *Thank you all!*

**To be added to our  
newsletter mailing list,  
call 1-877-734-3258, ext. 2740**

**Free training  
and flyers**



We offer training programs for staff, clients and family members. Programs can be presented in English, Spanish or Vietnamese. Program-specific training is available on:

- Medi-Cal
- Healthy Families
- County Medical Services
- Mental Health

We also have informational flyers available. Visit [www.healthconsumer.org](http://www.healthconsumer.org) to download the flyers. To schedule training or order flyers, contact Selene Torices at [SeleneT@cchea.org](mailto:SeleneT@cchea.org) or (619) 471-2736.

**Medicare Part D training**

We continue to offer Medicare Part D training for your staff or clients in English, Spanish or Vietnamese. We also have brochures available on the subject at [www.healthconsumer.org](http://www.healthconsumer.org) or contact Colleen Cook at [ColleenC@cchea.org](mailto:ColleenC@cchea.org) or (619) 471-2650.



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