



Medicare Part D State Fact Sheets: 2010

What's Happening to the 2009 Benchmark Plans?

CALIFORNIA

Background

In 2009 in California, there were six Medicare Part D “benchmark” plans that low-income Medicare beneficiaries with the full¹ Low Income Subsidy (LIS) could join and pay no monthly premium. These plans are also referred to as “zero premium” plans. A plan is considered a benchmark plan if its monthly premium is below the Low Income Subsidy benchmark amount. For the 2010 plan year, California’s benchmark amount will be \$29.00.

In 2010, five of these plans will return as benchmark plans while the sixth will merge with another benchmark plan. All beneficiaries, including LIS recipients, in the plan that is merging will automatically be moved to the new plan. In addition to the five returning plans there will be two new benchmark plans in California, for a total of 7 benchmark plans in California.²

Full LIS recipients currently enrolled in the 2009 benchmark plans do not need to take any action to avoid premiums in 2010. NSCLC strongly recommends, however, that all Low Income Subsidy beneficiaries review their 2010 plan options. Even if a plan’s premium stays below the benchmark, the plan may have changed its formulary or placed increased restrictions on drug use.

In addition, in California more than 200,000 LIS recipients are currently enrolled in plans that are not benchmark plans in 2009 or 2010. These individuals have been paying premiums equal to the difference between the plan’s premium and the benchmark amount. They will continue to have a premium liability in 2010 if they do not switch to a benchmark plan. For many, that liability will be increasing. These individuals are known as choosers since they self-enrolled into these non-benchmark plans. This Fall **all choosers will receive a tan notice** from the Centers for Medicare and Medicaid Services (CMS) informing them of the premiums they will owe next year if they stay in their current plans and providing a list of the benchmark plans available to them for no premium.

The information in the following chart is subject to change pending finalization of contracts and any additional information from CMS.

What's Happening to California's 2009 Benchmark Plans?

2009 Benchmark Plans			2010 Monthly Premium	Still Benchmark Plan in 2010?	Merged with a Benchmark Plan in 2010
BravoRx	S5998	013	\$28.50	✓	
First Health Part D-Premier	S5768	082	\$27.40	✓	
Health Net Orange Option 1	S5678	002	\$28.40	✓	
Advantage Star Plan by RxAmerica	S5644	084	\$27.80	✓	
MedicareRx Rewards Standard ³	S5960	138	N/A		✓ Blue Cross MedicareRX Standard
WellCare Classic ⁴	S5967	169	\$24.30	✓	

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¹ Medicare beneficiaries eligible for the full LIS subsidy with a zero-dollar premium include:

- Any individual with full Medicaid benefits (a.k.a. dual eligibles)
- Enrollees in Medicare Savings Programs (MSPs), including QMB, SLMB, QI recipients.
- Anyone else who applied for the LIS and received the full subsidy (countable incomes below 135% of the federal poverty level and limited resources).

In addition to a zero-dollar premium and no deductible, these full LIS recipients paid nominal co-payments of \$1.05-\$5.60 in 2008 (\$1.10-\$6.00 in 2009). In contrast, partial LIS recipients paid a sliding scale premiums based on income, a deductible (\$56 in 2008 and \$60 in 2009) and 15% coinsurance. Partial LIS recipients will only be reassigned if the plan is no longer offered or has changed from “basic” to “enhanced” for 2009.

² In addition to the five returning benchmark plans there will be two new benchmark plans: Anthem’s Blue Cross MedicareRx Standard (S5596-033; \$28.40) and Fox Value Plan (S5557-054; \$27.10).

³ As noted in the chart, in 2010 Unicare’s MedicareRx Rewards Standard will merge with Anthem’s Blue Cross MedicareRx Standard. All MedicareRx Rewards Standard enrollees (including all LIS recipients) will be automatically shifted to Blue Cross MedicareRx Standard. CMS calls the shift that occurs as a result of a merger “mapping,” not “reassignment.” Mapping is done by the plan. Reassignment is done by CMS. The contract number for Blue Cross MedicareRx Standard is S5596-033.

⁴ In March 2009, CMS suspended WellCare’s marketing and enrollment activities. WellCare remains under suspension at this time. WellCare will keep its current enrollees but may not market its plans to new enrollees or accept any new enrollments. Even though it is a benchmark plan, WellCare Classic will not receive any auto-assignments or facilitated assignments of LIS recipients during 2010. WellCare plans do not appear on the plan landscapes released by CMS. However, they will appear on the Medicare.gov plan finder with the notation that they are not available for new enrollments.

If you have any questions or would like to receive more information about Medicare Part D and its impact on low income beneficiaries, please contact Kevin Prindiville at kprindiville@nsclc.org or Georgia Burke at gburke@nsclc.org.