



New Enrollment Application



PACE/PACENET

Prescription Coverage For Older Pennsylvanians

Prescription Benefits for Older Pennsylvanians

PACE and **PACENET** are the Commonwealth of Pennsylvania's prescription benefit plans that currently serve over **280,000** older Pennsylvanians.

You are Eligible to Apply if:

- You are 65 years of age and older. (You are not eligible for benefits if you are under the age of 65 and disabled.)
- You have been a resident of Pennsylvania for at least 90 (ninety) consecutive days prior to your application.
- You are not eligible for pharmaceutical benefits under Medicaid.

You can apply for **PACE/PACENET** even if you have health insurance or limited prescription benefits through another insurance.

PACE or PACENET, Which Program is Right for You?

PACE:

If you are single and your total **previous calendar year's income** was less than **\$14,500**, or

If you are married and your combined total **previous calendar year's income** was less than **\$17,700** you may be eligible for **PACE**.

PACE has a **\$6** copayment for each covered generic drug and a **\$9** copayment for each single-source brand name drug that you have filled.

PACENET:

If you are single and your total **previous calendar year's income** was between **\$14,500** and **\$23,500**, or

If you are married and your combined total **previous calendar year's income** was between **\$17,700** and **\$31,500**, you may be eligible for **PACENET**.

PACENET has a monthly **\$40** deductible, which will be cumulative if not met each month. In addition, **PACENET** has an **\$8** copayment for generic drugs and a **\$15** copayment for single-source brand name drugs. Your deductible begins with your first claim, and it is paid at the pharmacy.

What is Considered Income?

Income includes, but is not limited to, the following:

| | |
|---------------------------------------|--|
| Gross Social Security | Interest/Dividends/Capital Gains |
| Railroad Retirement & SSI | Net Rental Income |
| Pensions | Royalties |
| Salaries/Wages/Commissions | Workers' Compensation |
| Self-Employment or partnership income | Life insurance benefits |
| Alimony and Support money | Gifts and inheritance of cash or property over \$300 |
| Taxable amount of annuities and IRAs | Any amount of money or fair market value of a prize, such as a car or trip won in a lottery, contest or gambling |
| Unemployment | |
| Veteran's disability payments | |
| Cash public assistance | |

Assets are not included as income

You do not Need to Include Documentation

The **PACE/PACENET** program verifies your age, income and residency upon application with the Social Security Administration, Railroad Retirement Board, State Employees Retirement System, Pennsylvania Department of Revenue and the Department of Transportation. You do not need to include documentation with this application.

Understanding Age, Income and Residency Verification

It is important to carefully review the age, income and residency information that you report on your application. Be sure to include all income that you and your spouse (if married) received during the previous year. Do not include this year's income. At a later date, the program may request you to provide photocopies of your age, income and residency documents to verify the information you reported on your application.

If it is determined that you incorrectly reported your age, income or residency status and that you are ineligible to receive these benefits, you will be required to repay the program for any benefits it paid on your behalf.

Important Facts to Remember when Applying:

If you are married, but separated from your spouse during the past year or one of you lived in a nursing home, your marital status is "married living separate," and you should report only your income.

If widowed, you should report only your previous year's income.

If you sold your home, all capital gains must be declared as income within two (2) years of the sale date.

If you sold your home to pay for nursing home costs or used those proceeds to purchase another residence deeded in your name, it is not considered income if proof is shown.

If you had income from the following sources, you do not have to report them on your application:

Black or White lung, property tax/rent rebate payments, damages received from civil suit or settlement agreement, benefits granted under Section 306C of Workers' Compensation Act, non-cash relief, food stamps, LIHEAP payments, gifts or inheritance totaling \$300 or less and the first \$10,000 in death benefits.

Certain AmeriCorps*VISTA payments may be excluded from income, pending review by the Department.

Aid & Attendance payments from the VA do not have to be counted as income if you can show proof that the payment is for A&A and proof of the actual A&A payment amount.

Instructions for Completing the **PACE/PACENET** Application

- If you are married and both of you are applying, you must check the box that you are filing for “Yourself and Your Spouse.”
- If you are the only one applying on this application, check the box that states “Yourself Only.”

- A. Applicant:** Complete all information in this section including driver’s license number. Also include copies of all health insurance cards.
- B. Spouse:** If married, complete all information in this section including driver’s license number. Also include copies of all health insurance cards.
- C. Marital Status:** Circle the number that best describes your status. Include year separated or divorced. (Required)
- Residence:** Circle appropriate number. (Required)
- Ethnic Origin:** Circle appropriate number. (Optional)
- D.** List all income for last year (January through December). Include spouse’s income if married.
- E.** Sign and date the application. Read the “**Certification and Authorization**” statements included with the application.
- F.** Power of Attorney (POA) or Guardian can sign for applicant(s). Include POA documents. POA documents must include the name of the person who is giving the POA, the name of the person who is appointed as the POA, the signature of the person who is giving POA and the acknowledgement statement and signature of the person who is appointed POA.
- G.** Witness/Preparer Signature is required if the applicant marks “**x**” in Signature.

PACE/PACENET



Questions? Call Cardholder Services

1-800-225-7223

Within Pennsylvania

717-651-3600

Outside Pennsylvania

Collect Calls will not be Accepted

**Hearing Impaired Callers Using a TDD
(Telecommunication Device for the Deaf)
Should Call:**

1-800-222-9004

717-651-3608

Application Fax Number

Mailing Address For New Enrollment Application

**PACE
P.O. Box 8806
Harrisburg, PA 17105-8806**

**PACECares@fhsc.com
E-mail Address**

**Nora Dowd Eisenhower
Secretary of Aging**

**Edward G. Rendell
Governor**



PACE/PACENET and Medicare Part D Fact Sheet

The current program will remain, but PACE and PACENET will work closely with Medicare to coordinate both prescription programs. A summary of these efforts follows but the most important fact to remember is that **cardholders will not lose their PACE and PACENET benefits**, and they may save even more money on their prescription costs.

What does this mean for PACE Cardholders also enrolled in Medicare Part D?

- **Remain Enrolled in PACE.** Although cardholders will be enrolled in Medicare Part D, they will not lose their PACE benefits. Cardholders will be able to receive the same, or better, prescription benefits that they receive today, and the PACE Program will be able to save money because Medicare will become the primary payer.
- **Payment of Part D premiums for PACE enrollees.** The federal government, if approved for full “extra help,” or the PACE Program will pay the Part D premiums for PACE cardholders that enroll in a Part D plan up to the regional benchmark amount, which is currently \$32.54.
- **No Coverage Gaps for PACE Cardholders.** With Part D and PACE, cardholders will not experience any coverage gaps because they can use PACE as a secondary prescription coverage. This means that PACE will pay for prescription medications not on the Part D plan’s formulary and prescription medications filled during Part D coverage gaps, as long as the PACE program currently covers the medication.
- **Possible lower copayments.** The copayment for PACE cardholders will not be any more than the standard PACE copayments of \$6 for generics and \$9 for brand name medications. PACE will cover any copays in excess of the PACE copayment amount. However, if they have been approved for the “extra help” subsidy, their copayments will be \$2 for generics and \$5 for brands.
- **Mail-order Services.** Some of the Part D plans offer 90-day mail-order services. The PACE Program will allow a 90-day prescription as long as the cardholder’s Part D plan offers this service and the cardholder is using a mail-order pharmacy that participates with the PACE Program.
- **Prescription Card.** PACE cardholders will receive a prescription card from their Part D plan. Cardholders should show this card to their pharmacist in addition to their PACE card. The pharmacist will bill the Part D plan first and the PACE Program second. The cardholder does not have to keep track of their prescription expenses.

What does this mean for PACENET Cardholders also enrolled in Medicare Part D?

- **Remain Enrolled in PACENET.** Although cardholders will be enrolled in Medicare Part D, they will not lose their PACENET benefits. Cardholders will be able to receive the same, or better, prescription benefits that they receive today, and the PACENET Program will be able to save money because Medicare will become the primary payer.
- **Elimination of PACENET deductible.** The \$40 monthly deductible has been eliminated. PACENET cardholders that enroll in a Part D plan will pay the plan's Part D premium directly to the plan. Depending on the Part D plan, the monthly premium will range between \$10.14 and \$32.54. .
- **No Coverage Gaps for PACENET Cardholders.** With Part D and PACENET, cardholders will not experience any coverage gaps because they can use PACENET as a secondary prescription coverage. This means that PACENET will pay for prescription medications not on the Part D plan's formulary and prescription medications filled during Part D coverage gaps, as long as the PACENET program currently covers the medication.
- **Copayments.** The copayment for PACENET cardholders will not be any more than the standard PACENET copayments of \$8 for generics and \$15 for brand name medications. PACENET will cover any copays in excess of the PACENET copayment amount.
- **Mail-order Services.** Some of the Part D plans offer 90-day mail-order services. The PACENET Program will allow a 90-day prescription as long as the cardholder's Part D plan offers this service and the cardholder is using a mail-order pharmacy that participates with the PACENET Program.
- **Prescription Card.** PACENET cardholders will receive a prescription card from their Part D plan. Cardholders should show this card to their pharmacist in addition to their PACENET card. The pharmacist will bill the Part D plan first and the PACENET Program second. The cardholder does not have to keep track of their prescription expenses.

If a PACENET cardholder elects not to enroll in Part D while they are enrolled in PACENET, they will continue to receive the current benefits that they do today, which include a one-month supply of medications for \$8 or \$15. These cardholders will pay a premium that is equivalent to the regional benchmark Part D premium (currently \$32.54) at the pharmacy when they get their prescription filled. The process will work the same as the previous PACENET deductible.

- **Authorized Representative.** PACE and PACENET will act as the authorized representative for its cardholders to assess eligibility and apply for low income subsidies, to select and enroll in Part D plans that best match their prescription and pharmacy profiles, and to undertake appeals from Part D plans' denials of coverage or determination of non-preferred status for particular drugs.

For more information on how PACE and PACENET will coordinate benefits with Medicare Part D, call the program at 1-800-225-7223.

The following Questions and Answers address program policies and procedures as they relate to how the PACE Program is working with Medicare Part D

1. What is PACE Plus Medicare?

A. This is the term that describes how PACE and PACENET cardholders will also be enrolled in Medicare Part D. Persons with PACE and PACENET will receive the same coverage that they now receive with PACE and PACENET at the same, or lower, cost.

2. Are PACE and PACENET being eliminated?

A. No, PACE and PACENET will continue to exist. They will provide full coverage to those who are not enrolled in Part D. For those who have Part D coverage, they will operate behind the scenes to reduce costs and maintain full coverage. Eligibility for PACE and PACENET is not changing.

3. If I have PACE or PACENET, why should I enroll in Part D?

A. It helps the program save money that can be used to help more Pennsylvanians. And many PACE or PACENET cardholders will save money by being enrolled in both programs at the same time.

4. Did all PACE/PACENET cardholders get selected for Part D?

A. No, only about half of them will be enrolled in Medicare Part D at this time. We will not enroll the following groups of consumers into a Part D Plan: those who are not eligible for Part D, those in Medicare Advantage Plans, those in employee retirement plans with drug coverage, those who have already enrolled in a Part D plan on their own, and certain others.

Individuals who have previously enrolled in Part D either by joining a Prescription Drug Plan (PDP) on their own or by getting Part D through a Medicare Advantage Plan will receive information around September 1, 2006 about how PACE will help to wrap around their current Part D coverage.

5. How do I know if PACE/PACENET is enrolling me in Medicare Part D?

A. If you were already a PACE/PACENET cardholder and PACE/PACENET is enrolling you into a Part D plan, you would have received a letter from the program in July, 2006. If you received this letter, it told you the name of the Medicare Part D plan we will enroll you in unless you contact us by August 6, 2006. Unless you decline Part D enrollment, your Part D coverage will start September 1, 2006. New PACE/PACENET applicants will be contacted shortly after they enroll about whether PACE/PACENET will enroll you into a Part D plan.

6. I have not received any letter or other information from PACE or PACENET about how they will work with my part D plan. Does that mean that I will not get any help from PACE or PACENET with Part D costs?

A. PACE and PACENET will wrap around all Part D plans; however, the time frames for when this help begins will differ depending on what Part D plan you currently have.

If you are enrolled in a different Part D plan or have Part D coverage through a Medicare Advantage plan, then PACE/PACENET will work with your Part D plan to make sure systems are in place so that the program can help you with your Part D plan costs. This help will likely begin at some point after September 1, 2006. You should be notified by PACE/PACENET explaining the help you will receive and when this help will start.

7. When will PACE start working with Part D?

A. On September 1, 2006. If you received a letter from the program in July that gave you the name of the Part D plan you would be enrolled in, your coverage with that Plan will start on September 1, 2006 unless you declined enrollment into Part D. Starting September 1, 2006, you will use your Part D plan identification card along with your PACE/PACENET card at the pharmacy, and the program will help you with Part D costs so that you will not have to pay more under Part D than you would under PACE and PACENET.

8. How will pharmacies know about these changes?

A. We are notifying pharmacies about how PACE will work with Part D.

9. I am not currently enrolled in PACE or PACENET. If I enroll in the program, will I be automatically enrolled in Part D?

A. If you are enrolled in a Part D plan when you enroll in PACE or PACENET, you can stay enrolled in the Part D plan. If you are not enrolled in Part D when you enroll in PACE or PACENET, we will not assign you to a Part D plan immediately but will provide recommendations to you within a few months.

10. I am enrolled in PACENET but do not take any medications. If I do not enroll in Part D, will I have to pay a premium even though I do not use the benefit?

A. In this instance, you will not have to pay the Part D premium. However, when you use your PACENET card, you will have to pay a monthly premium that is equal to the regional benchmark premium for Part D which is \$32.59 for 2006. This is a change for PACENET cardholders. In the past, you had to pay a \$40 monthly deductible, which will be eliminated on September 1, 2006.

Although the PACENET deductible will now be referred to as a premium, it will work exactly like the PACENET deductible except it will be a lower amount for the remaining months of 2006. If you have not used your PACENET card and you do not currently take medications, you will not have to pay this premium until you activate your card at the pharmacy. If you have used your PACENET card, effective September 1, 2006 through December 31, 2006, the monthly amount you will have to pay at the pharmacy will be \$32.59 plus your PACENET copayments. This process is only for PACENET cardholders that do not enroll in Part D.

11. Who will pay the Part D premium?

A. That depends on whether you are in PACE or PACENET. The PACE Program will pay the \$32.59. PACENET cardholders will have to pay the Part D premium to the plan, but they will no longer have to pay the \$40 monthly PACENET deductible.

12. Will I have to pay a premium penalty for joining Part D after the May 15, 2006 deadline?

A. No, because you are enrolled in PACE or PACENET, you can enroll after the deadline without being charged a late penalty on the Part D premium.

13. If I am enrolled in Part D, will I still use my PACE or PACENET Card?

A. Yes, show both cards at the pharmacy. This will tell your pharmacist to bill your Part D plan first, and bill PACE or PACENET second. It will also tell your pharmacist that you are entitled to all of the drugs that are available under PACE and PACENET, with no hassle.

14. Will my co-payments be higher with PACE and Medicare Part D?

A. No. If your Part D Plan charges higher co-payments than you were paying under PACE/PACENET, the program will automatically pay the difference. If you run into any confusion at your pharmacy, call the program's toll free number: 1-800-225-7223, while you are at the pharmacy.

15. Suppose my Part D Plan charges lower co-payments than PACE/PACENET. What happens?

A. You will pay the lower co-payments.

16. Many Part D plans stop their coverage after you reach a certain dollar limit. This is sometimes called the donut hole. How will this work under Medicare Plus PACE?

A. There will be no donut hole. The PACE/PACENET program will fill in the gaps, so that you can continue to get your drugs just as you did under PACE/PACENET.

17. Suppose my Part D Plan doesn't cover all of the drugs that PACE/PACENET covers.

A. The PACE/PACENET program will automatically pay for drugs that your Part D Plan won't cover, so long as these are drugs covered by PACE/PACENET. That means that if your Part D plan has a restrictive drug formulary, or requires step therapy or prior authorization, these rules will not apply to you at least through the end of 2006.

18. Can I go to any pharmacy I choose if I am in PACE and Medicare Part D?

A. No, You must use the pharmacies that are in your Part D plan's network. We picked a plan for you that includes the pharmacy where you usually get your prescriptions filled. If you decide to change pharmacies, check with your new pharmacy to make sure they participate in your Part D plan.

19. If my Part D plan offers a mail-order service, can I use it?

A. Yes, but keep in mind that since you will be ordering a three month supply of your drug by mail, you will be paying up to three PACE/PACENET co-payments at once. For example, a PACE cardholder would pay \$18 for a 90-day supply of generic medications.

20. Where can I get a list of the mail-order pharmacies that I can use?

A. PACE/PACENET cardholders enrolled in Part D will have to use the pharmacies that participate in the Part D plan's pharmacy network. If your Part D plan offers mail-order services, the plan will provide information to you regarding these pharmacies in their Welcome Kit and enrollment documents.

21. How did the program decide which Part D plan to enroll me in?

A. We looked at the drugs that you take and the drugs that the Part D plans cover to find the best fit, from among nine Part D Plans which are partnering with the state. We checked to make sure that your pharmacy participates in that plan.

22. What Part D Plans is PACE/PACENET partnering with?

A. For 2006, the program decided to partner with Humana's Standard and Enhanced plans, Ovations' United MedAdvance and AARP MedicareRx plans, MemberHealth Community Rx Basic plan, Highmark's BlueRx Basic Plan, AmeriHealth Advantage's Option 1 plan, First Health's Premier plan and Pacificare's Saver plan.

23. What are the premiums for each plan?

A. The monthly premiums are: Humana Standard \$10.14; Humana Enhanced \$16.94; Ovations United MedAdvance \$29.20; Ovations AARP MedicareRx \$25.03;

MemberHealth Community Rx Basic \$32.10; Highmark BlueRx Basic \$26.55; AmeriHealth Advantage Option 1 \$24.18; First Health Premier \$27.21; and Pacificare Saver \$25.20.

24. Are these the only plans that I can enroll in?

A. No, but these plans have agreements with the state for 2006 that make it easier for the PACE program to coordinate with them and avoid confusion.

25. Where can I get more information about the Part D plans available in PA?

A. Information about premiums, participating pharmacies and covered drugs for these nine plans, and any other Part D plan operating in Pennsylvania is available by calling 1-800-Medicare (1-800-633-4227 or 1-877-486-2048 (TTY)) or going on the web at: www.medicare.gov.

26. Can I pick a different plan from the one that the program has chosen for me?

A. Yes, you can pick a different plan by calling 1-800-225-7223 by August 6, 2006. You will also be able to change your Part D plan during the Open Enrollment Period from November 15, 2006 through December 31, 2006. If you change plans during this Open Enrollment Period, your new Part D plan will start on January 1, 2007.

27. If I am already enrolled in a Part D plan and have been paying my monthly premiums to the plan, will I still be switched over to the Part D plan that the PACE program picked for me?

A. If you are already enrolled in a Part D plan, you should not have received the letter from PACE/PACENET in July. You will be receiving a letter around September 1, 2006 that tells you how PACE/PACENET will wrap around your current Part D coverage.

If you are currently enrolled in a Part D plan and you did receive the letter from PACE/PACENET telling you that they will enroll you in a Part D plan, you need to call 1-800-225-7223 by August 6, 2006 and tell us that you already have a Part D plan and do not want to be switched to a different plan.

28. What should I do if I receive a bill from my Part D Plan for the monthly premium?

For individuals enrolled in PACE, the program will pay the monthly Part D premium (up to \$32.59). For individuals enrolled in PACENET, you are responsible for paying the monthly premium to your Part D plan. If you receive a bill from your Part D plan after September 1, 2006 and you are not sure whether you should pay that bill or not, please contact the PACE/PACENET program at 1-800-225-7223.

29. If I am in a Medicare Advantage Plan without prescription drug coverage, do I have to change plans to enroll in Part D?

A. You will be getting a letter around September 1, 2006 that discusses your options. If you are in a Medicare Advantage Plan without prescription drug coverage and you would like to enroll in Part D, you need to contact your Medicare Advantage Plan to see if they offer a Part D benefit through a different Plan. If they do, you should enroll through your Medicare Advantage plan in order to keep your doctor and other health care providers. If you are in PACE (as opposed to PACENET) the program will pay the Part D premium portion for you (up to the regional benchmark). If your Medicare Advantage Plan does not offer a Part D benefit, then you may need to join a Medicare Advantage Plan through a different company in order to get Part D. This may affect your choice of doctors.

30. Can I decide not to enroll in Part D at all?

A. Yes, this program is voluntary. If you are in PACE/PACENET and you choose not to enroll in Part D, PACE will continue to pay for your drugs as it has in the past. If you are a PACENET cardholder and you do not enroll in Part D, you will begin paying a monthly deductible of \$32.59 in September, 2006.

8/4/06