
Date: February 14, 2014 **MEPD Policy Bulletin Number: 14-05**

To: Eligibility Services – Regional Directors for MEPD
Regional Attorneys
Hearings Officers

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Subject: Simplification of Medicare Part D Premiums and Benchmark and Incurred Medical Expenses

The information in this bulletin is for **MEPD**. If you have any questions regarding the policy, follow regional procedures. The information in this bulletin is available at the following websites:

- Eligibility Services - <http://ofs.hhsc.state.tx.us/mepd/mepd-bulletins.aspx>, and
- MEPD Handbook - http://www.dads.state.tx.us/handbooks/mepd_policy/index.htm.

Policy/Procedure

Currently eligibility specialists use policy in MEPD Handbook Chapter H Section 2500 to 2520 and Appendix XXXII Incurred Medical Expenses (IME) Deductions for Medicare Prescription (Rx) Drugs for the Medicare Part D deductions for applied income/co-pay budgets for the Medicare Part D premiums and the benchmark. These include the following instructions to staff:

- Verify the premiums on the websites of Medicare.gov or the actual insurance companies.
- Allow the difference between the benchmark and the Prescription Drug Plan (PDP) premium as an ongoing IME if the PDP premium is greater than the benchmark.

In order to simplify this process, request from individuals or authorized representatives, copies of checks for payments or receipts as verification of the Part D premiums. This falls in line with verifications of other incurred medical expenses guidelines for prescriptions and other co-pays. Also, the benchmark is no longer to be used in determining what to consider as an IME Part D deduction. Use the amounts verified as the deduction in the applied income/co-pay budget.

Set special reviews for reconciliation, since individuals could receive reimbursements for premiums or co-pays paid that were deducted and in the applied income/co-payment calculation and need to be reconciled.

Automation

No automation changes are planned for Texas Integrated Eligibility Redesign System (TIERS).

Handbook

The handbook will be updated with the June 2014 revision.

Training

MEPD New Hire Training and Continuing Skills Training will be updated to reflect this new update. TIERS trainings will also be updated.

Effective Date

The effective date of this change is February 14, 2014.