

VIRGINIA Ryan White HIV/AIDS Part B (RWHAP B)

STANDARD OPERATING PROCEDURE

Medication Access for Applicants with Low Income Subsidy (LIS)

Effective Date: 9/1/2021

Page 1 of 3 pages for actual procedure

Revised Date: N/A

Background (Purpose):

Low-Income Subsidy (also called "Extra Help") is available to assist qualifying patients with Medicare Part D costs. The subsidy only assists eligible individuals with premiums, deductibles and co-payments (e.g., cost shares) associated with a Medicare prescription drug plan. To qualify for the extra help, a person must be receiving Medicare, have limited resources and income (based on the Federal Poverty Level), and live in one of the 50 states or the District of Columbia. Historically, the Virginia Medication Assistance Program (VA MAP) has provided cost share and premium assistance to clients with only partial low-income subsidy.

Policy (Policy Statement & Documentation):

VA MAP will provide cost share assistance to Medicare recipients with Low Income Subsidy who meet eligibility criteria, regardless of the amount of subsidy assistance (partial or full) to ensure eligibility is equitable across VA MAP's Medicare Prescription Drug Assistance Program.

Procedure:

Applicants for the VA MAP Medicare Prescription Drug Assistance Program must submit a VA MAP application with supporting documentation as outlined in VA MAP's eligibility policy (<https://www.vdh.virginia.gov/disease-prevention/adap-policies/>) in addition to documentation for insurance coverage. Applicants must:

- Provide proof of residency in Virginia
- Provide proof of income at or below 500% of the current Federal Poverty Level
- Provide documentation of HIV diagnosis (provide only once)
- Provide copies of the Medicare prescription drug plan card (Part D or Medicare Advantage/Part C) and the Medicare A/B card

Low Income Subsidy documentation **is not required for submission** with the VA MAP application, but VA MAP will accept it if the client wishes to provide it. VA MAP will not use this LIS documentation to determine VA MAP eligibility.

After the VA MAP application submission:

- VA MAP staff review the application & complete the Medicare insurance worksheet.

- VA MAP supervisor approves or denies the application. Denials mean a client does not meet the program’s eligibility requirements. Incomplete applications delay the approval process and VA MAP will ask for missing information or documentation before reassessing it for approval. According to the Health Resources and Services Administration (HRSA), which funds and oversees the Ryan White Program, VA MAP has 14 days to make a determination on completed application submissions.
- VA MAP mails an approval or denial letter to the applicant.
- VA MAP sends a copy of the approval or denial letter to the applicant’s provider.
- Approved applicants receive VA MAP’s copay assistance card from the Pharmacy Benefit Manager within two weeks of the application approval.

Guidance:

Per the HRSA ADAP Manual, Section III of ADAP Operations, Chapter One of ADAP Initial Eligibility Determination and Recertification, eligibility assessment is determined at the State/Territory level. It is the responsibility of every State/Territory ADAP to ensure equity in providing program assistance, “Regardless of the specific criteria used by the State/Territory ADAP, the requirement is that eligibility criteria and covered treatments for anyone enrolled in the ADAP must be consistently applied across the State/Territory” (HIV/AIDS Bureau, 2016, p. 29).

Exceptions:

None

Definitions:

Coinsurance: The percentage of costs of a covered health care service you pay (for example, 20%) after you have paid your deductible.

Cost shares: the amount of costs a beneficiary pays out of their own pockets for services, in the form of deductibles, coinsurance, or copayments.

Deductible: The amount you pay for covered health care services before your insurance plan starts to pay. For example, with a \$2,000 deductible, you pay the first \$2,000 of covered services yourself.

Federal Poverty Level (FPL): A measure of income issued every year by the U.S. Department of Health and Human Services (HHS). The FPL determines eligibility for many program and benefits (e.g. Marketplace health insurance, Medicaid, Medicare, and CHIP coverage).

Full low-income subsidy (full LIS): one of two levels of Extra Help. Eligibility criteria include being dually eligible for Medicaid and Medicare, the Medicare Savings Program, or Supplemental Security Income; have income at or below 135% of FPL, and do not have resources that exceed the limitations set by the Social Security Administration (SSA). The benefits usually include 100% coverage of premiums, there are \$0 deductibles, and copays for generic and brand name drugs can be as low as \$0.

Medicare Prescription Drug Assistance Program: Service option under VA MAP for clients enrolled in Medicare and provides help with monthly premiums and cost shares

Medicare Part D: A prescription drug plan program offered to Medicare recipients and administered by commercial insurance companies

Medicare Advantage (Part C): Medicare-approved plans offered by commercial insurance companies that typically include prescription drug benefits.

Out of Pocket costs: The most you have to pay for covered services in a plan year. After you spend this amount on deductibles, copayments, and coinsurance for in-network care and services, your health plan pays 100% of the costs of covered benefits.

Partial low-income subsidy (partial LIS): One of two levels of Extra Help. Eligibility criteria include eligibility for Medicare only, income above 135% but below 150% of FPL, and do not have resources that exceed the limitations set by the Social Security Administration (SSA). The benefits usually include up to 75% coverage of premiums, there are deductibles greater than \$0 deductibles, and there are co-insurance amounts, which is generally a determined percentage of out of pocket costs.

Pharmacy Benefit Manager: A contracted, third party administrator that assists with paying cost shares at the point-of-sale for prescription services.

Social Security Administration (SSA): The agency in the federal government that oversees and runs the Social Security Program in the United States. Legislation created the program to “promote the economic security of the nation’s people . . . and is designed to pay retired workers age 65 or older a continuing income after retirement.”

References:

[adapmanual_0.pdf](#) (HIV/AIDS Bureau, Division of State HIV/AIDS Programs, AIDS Drug Assistance Program (ADAP) Manual, 2016).

<https://www.ssa.gov/benefits/medicare/prescriptionhelp/> (Extra Help with Medicare Prescription Drug Plan Costs)

<https://www.ssa.gov/pubs/EN-05-10508.pdf> (Understanding the Extra Help With Your Prescription Drug Plan)

[medicare-low-income-subsidy-brochure.pdf](#) (Janssen/Johnson & Johnson 2020 Medicare Low-Income Subsidy—LIS brochure)

<https://www.healthcare.gov/glossary/federal-poverty-level-fpl/> (Health Care.gov online Glossary)

[What is Social Security EN-05-10230.pdf](#)(What is Social Security)