The MORx Program: Overview

February 3, 2014
MO HealthNet Oversight Committee Meeting
Missouri’s State Pharmacy Assistance Programs

- **Missouri Rx Plan (MORx)**
  - Congress passed the Medicare Prescription Drug Modernization Act in December 2003
  - MO began first pharmacy assistance program 2001, called Missouri Senior Rx Program
  - In 2005 the 93rd General Assembly passed SB 539 restructuring Missouri’s Pharmacy Assistance Program from Senior Rx Program
  - The state legislature intended for MoRx to provide unabridged medication access to low income elderly and disabled Medicare beneficiaries
  - General Assembly reauthorized MORx in 2011
What is the MORx Program

- Implemented January 2006
- Reauthorized in 2011
- Provides prescription drug assistance to elderly and disabled Missourians by coordinating benefits with Medicare's (Part D) Prescription Drug Program.
- Today 25 states operate State Pharmacy Assistance Programs that coordinate benefits with Part D
MORx Program

- The current MoRx program will sunset August 28, 2014

- Reauthorization by the General Assembly is needed

- Reauthorization of MoRx will ensure the continuation of a vital health care resource for low income elderly and disabled individuals.
Who Qualifies Today

- **Dual Eligibles**
  - Individuals who qualify for both Medicare and Medicaid; and
  - Missouri resident; and
  - Enrolled in a Medicare Part D Plan

- **Non-Dual Eligibles**
  - Missouri resident; and
  - Enrolled in a Medicare Part D Plan; and
  - Meeting income requirements
MORx Income Requirements

- Duals automatically enrolled

- Non-Duals Income Requirements
  - Single – annual gross household income of $21,660 or less
  - Married – annual gross household of income of $29,140 or less
MORx pays for 50% of out-of-pocket costs on medications that are covered by a Medicare Part D plan, including:

- 50% on deductible;
- 50% on co-pays; and
- 50% during the coverage gap and beyond
## Typical Member Profile

<table>
<thead>
<tr>
<th>Type</th>
<th>Age</th>
<th>Gender</th>
<th>Chronic Conditions</th>
<th>MORx Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non Dual</td>
<td>73</td>
<td>Female</td>
<td>Cholesterol, Hypertension, Chronic Pain and Acid Reflux</td>
<td>Received $279 in 2013</td>
</tr>
<tr>
<td>Partial Dual</td>
<td>63</td>
<td>Female</td>
<td>Chronic Pain, Cholesterol, Acid Reflux and Depression</td>
<td>Received $17 in 2013</td>
</tr>
<tr>
<td>Full Dual</td>
<td>64</td>
<td>Female</td>
<td>Congestive heart failure, hypertension, arthritis and diabetes</td>
<td>Received $39 in 2013</td>
</tr>
</tbody>
</table>
MORx Membership

MORx Members December 2013

- **24%** Non-Duals
  - 53,874

- **15%** Partial Duals
  - 35,569

- **61%** Dual Eligibles
  - 138,673
MORx Members by Gender (December 2013)

- **Females**: 38%  
  - 142,395 members

- **Males**: 62%  
  - 85,721 members
MORx Enrollment

Total MORx members by category

- Dual Eligibles
- Partial Duals (QMB– only, SLMB1 – Only, SLMB2)
- Non– Duals (MORx Applicants)
MORx Cost

PMPM for MORx, Non-Duals and Duals

- Non-Dual Eligibles
- Dual Eligibles
- Partial Duals
Closing The Doughnut Hole

- Affordable Care Act progressively closes the coverage gap until it reaches 25% in 2020.

- In 2010, Part D enrollees with spending into the coverage gap received $250 rebate.

- In 2011, Part D enrollees reaching the gap will received 50% discount on total cost of brand name drugs in gap.

- Medicare beneficiary's share of costs for brand name and generic drugs decrease over the next 6 years.

- Approximately 18% of MORx expenditures are for coverage gap costs.

- Bulk of MORx utilization is for deductible and co-pays.
  - Not coverage into the coverage gap (doughnut hole)

- MORx continues to be a vital resource for low income elderly and disabled individuals who need support with medication access.
# The Affordable Care Act: Closing the Doughnut Hole

## Phase-Out of the Doughnut Hole for Brand-Name Drugs

(Percentages represent share of total drug cost:)

<table>
<thead>
<tr>
<th>Year</th>
<th>Pharmaceutical Manufacturer Discount</th>
<th>Plan Responsibility (government contribution)*</th>
<th>Consumer Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0</td>
<td>0</td>
<td>100% less the $250 rebate for brand name and generic drugs</td>
</tr>
<tr>
<td>2011</td>
<td>50%</td>
<td>0</td>
<td>50%</td>
</tr>
<tr>
<td>2012</td>
<td>50%</td>
<td>0</td>
<td>50%</td>
</tr>
<tr>
<td>2013</td>
<td>50%</td>
<td>2.5%</td>
<td>47.5%</td>
</tr>
<tr>
<td>2014</td>
<td>50%</td>
<td>2.5%</td>
<td>47.5%</td>
</tr>
<tr>
<td>2015</td>
<td>50%</td>
<td>5%</td>
<td>45%</td>
</tr>
<tr>
<td>2016</td>
<td>50%</td>
<td>5%</td>
<td>45%</td>
</tr>
<tr>
<td>2017</td>
<td>50%</td>
<td>10%</td>
<td>40%</td>
</tr>
<tr>
<td>2018</td>
<td>50%</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>2019</td>
<td>50%</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>2020</td>
<td>50%</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>
### The Affordable Care Act: Closing the Doughnut Hole

**PHASE-OUT OF THE DOUGHNUT HOLE FOR GENERIC DRUGS**

(Percentages represent share of total drug cost:)

<table>
<thead>
<tr>
<th>Year</th>
<th>Plan Responsibility (government contribution)*</th>
<th>Consumer Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0</td>
<td>100% less the $250 rebate for brand name and generic drugs</td>
</tr>
<tr>
<td>2011</td>
<td>7%</td>
<td>93%</td>
</tr>
<tr>
<td>2012</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>2013</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>2014</td>
<td>28%</td>
<td>72%</td>
</tr>
<tr>
<td>2015</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>2016</td>
<td>42%</td>
<td>58%</td>
</tr>
<tr>
<td>2017</td>
<td>49%</td>
<td>51%</td>
</tr>
<tr>
<td>2018</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>2019</td>
<td>63%</td>
<td>37%</td>
</tr>
<tr>
<td>2020</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>
Helping Missourians Stay Healthy

- Providing affordable, high quality prescription drug coverage.
- Providing easy access to medically necessary medications.
- Assisting members with maintaining high quality of life and containing health care costs.
Questions?

Thank you