



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

JUN 29 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
State Circle
Annapolis, MD 21401-1991

The Honorable Michael E. Busch
Speaker of the House of Delegates
H-101 State House
State Circle
Annapolis, MD 21401-1991

RE: HB 1467 (Ch. 400 of the Acts of 2006) – Maryland Cares

Dear President Miller and Speaker Busch:

In accordance with Section 1 of HB 1467 – *Maryland Cares*, we are writing to provide information on the collection of data and federal reimbursement to the State for activities related to the implementation of Medicare Part D. The bill requires both the Department of Health and Mental Hygiene (DHMH) and the Maryland Department of Aging (MDoA) to issue a final report on or before June 30, 2007. This report meets the requirements for the final submission due by June 30.

In order to identify health care problems that may have resulted from implementation of the federal Medicare Part D program, HB 1467 requires the Department of Health and Mental Hygiene to collect statewide data on health problems, including emergency room visits and hospitalizations resulting from lapses or changes in medications. DHMH and the Department of Aging are also required to collaborate in the collection of statewide data on the resolution of issues related to the implementation of Part D and problems obtaining needed medications due to formulary and preauthorization restrictions. In addition, the Department of Health and Mental Hygiene and the Department of Aging are directed to apply to the federal Centers for Medicare and Medicaid Services for reimbursement of allowable expenditures under the Medicare Part D Stopgap Program established by HB 1467.

As indicated in the interim report with respect to the collection of statewide data on health problems, certain obstacles prevent the reporting of this information. Diagnosis or treatment codes used for emergency room visits and hospitalizations are not designed to identify the types of problems specified in HB 1467. The only direct way to determine if an emergency room visit or

Toll Free 1-877-4MD-DHMH • TTY for Disabled – Maryland Relay Service 1-800-735-2258

Web Site: www.dhmh.state.md.us



hospitalization was due to a lapse or change in medications is to review each person's medical record. DHMH does not have the resources to perform such a review. After further investigation and analysis the DHMH determined that this type of health care problem could not be identified through the use of existing billing codes.

Data about problems the Medicare beneficiaries had in obtaining needed medications due to formulary and preauthorization restrictions and resolution of these issues is attached. The period covered for this report includes June 1, 2006 through March 31, 2007.

Maryland was approved to receive compensation from CMS under a 402 Demonstration Waiver for administrative and prescription costs incurred during the initial implementation of the Part D program. The Department of Aging received \$1,655,658 compensation for its general fund expenditures for prescription drugs. Also, \$344,737 was received for incurred administrative costs and distributed to the following agencies: DHMH (\$169,067), Baltimore City Commission on Aging and Retirement Education (\$114,702), Baltimore City Health Department (\$15,582), Calvert County Area on Aging (\$7,268), MAC Area on Aging (\$37,339), and St. Mary's County Area on Aging (\$779). The three area agencies on aging expended local funds and were reimbursed under this waiver.

HB1467 requires the Department of Aging to assist Medicare beneficiaries (including beneficiaries with disabilities and those who are at least 65 years old) in obtaining Medicare Part D prescription drug benefits. Funds have been distributed to the 19 area agencies on aging (AAAs) for outreach, education, and counseling of individuals regarding Medicare Part D. Samples of outreach materials are attached. A total of \$2 million was provided in the bill, \$363,250 was spent in FY 2006, and \$1,636,750 was spent in FY 2007. To date, the following activities have been accomplished:

- \$263,250 was allocated in FY 2006 to 19 area agencies on aging to provide counseling and assistance to Medicare beneficiaries. Counseling and assistance encompassed the following activities: (1) assistance in determining eligibility for Medicare Part D; (2) assistance in enrolling in Medicare Part D; (3) a pharmacy benefit checkup, as appropriate; (4) assessment of the need and eligibility for emergency pharmacy access, the federal low-income subsidy, and the Senior Prescription Drug Assistance Program; and (5) assistance with any other problems related to the Medicare Part D benefit. Local AAAs also provided community outreach and education to encourage enrollment in Medicare Part D. Area agencies on aging used their funds to purchase laptop computers, media campaigns in their county, and to hire additional staff to fulfill the tasks cited above.
- An additional \$1,465,000 was allocated to local AAAs for FY 2007. AAAs have spent these funds in the following ways: additional staff, printing of materials, and media to explain the Medicare Prescription Drug Assistance Program and promote the Maryland Senior Health Insurance Assistance Program (SHIP), funds to pay for prescriptions for individuals unable to meet their co-payments/coverage gap assistance, and communication and equipment costs (additional telephone lines and internet capacity).

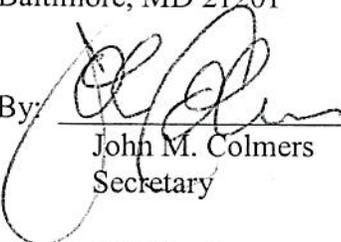
- In FY 2007, MDoA issued competitive grant awards to three community based organizations, the Korean Resource Center, the Asian-American Anti-Smoking Foundation, and Latin Link to assist Korean, Chinese, and Latino Medicare beneficiaries and their families with questions and problems related to the Medicare Prescription Drug Assistance Program. The agencies trained volunteer counselors and prepared language-appropriate materials and media for their communities.
- MDoA has worked with the Maryland Department of Business and Economic Development on a public relations campaign to promote the local Senior Health Insurance Assistance Programs as the focal point for community outreach, education, client counseling, enrollment assistance, and for promoting awareness of the Medicare Part D program. This public relations campaign began in late August and ran through November. It involved newspaper ads in local community newspapers and Pennysavers, bus ads (both at bus stops and interior and exterior bus ads), and the preparation and production of printed material. The timing of this public relations campaign coincided with the Part D annual open enrollment period that occurred November 15 through December 31, 2006. The campaign focused on specific geographic areas: Baltimore City, Baltimore County, Montgomery County, and Prince George's County. MDoA selected these areas based on targeting by CMS as both high-population areas and "under-enrolled" jurisdictions.
- In December 2006, MDoA contracted with three radio stations, selected to reach the African-American community, to promote Maryland SHIP and the Medicare Part D program.
- MDoA is producing Maryland SHIP brochures and promotional materials to support the program, and promote access to the Medicare Part D program. In addition to English, promotional materials in Spanish, Korean, and Chinese are in development.
- MDoA and DHMH have updated their respective websites to disseminate information about Medicare Part D, the Senior Prescription Drug Assistance Program, and toll-free numbers for reporting Medicare Part D problems.
- MDoA partnered with DHMH to provide contact information for SHIP Coordinators in mailings to pharmacies and medical care providers. They were advised that SHIP Coordinators are available to help Medicare beneficiaries with their Medicare Part D questions.
- MDoA and DHMH sent a letter to the CMS Administrator, Dr. Mark McClellan, to request federal reimbursement for \$363,250 (the funds expended in FY 2006). In accordance with HB 1467, MDoA and DHMH have requested federal reimbursement for the budgeted FY 2007 *Maryland Cares* funds at the conclusion of FY 2007 (attached).

We are pleased to provide you with this report. If you have questions or require further clarification of the information included in this report, please contact Jeff Gruel, Director of Pharmacy Programs at DHMH at (410) 767-1455 or Sue Vaeth, Chief of Client and Community Services at the Department of Aging at (410) 767-1108.

Sincerely,

Maryland Department of Health and
Mental Hygiene
201 West Preston Street
Baltimore, MD 21201

By:

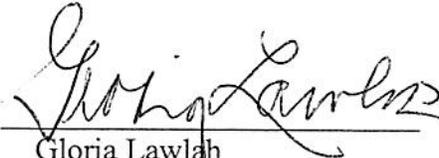


John M. Colmers
Secretary

cc: Jeff Gruel
Sue Vaeth

Maryland Department of Aging
301 West Preston Street, Room 1007
Baltimore, MD 21201

By:



Gloria Lawlah
Secretary

Maryland Cares Data For June 2006 through March 2007
 June 12, 2007

Total June-Sept 2006 Oct-Dec 2006 Jan-Mar 2007 Mar-June 2007

Formulary:

Number of Contacts	9,358	1,955	5,059	1,944	400
New Cases	3,081	443	1,840	685	113
Resolved	2,940	369	1,798	659	114
Percent Resolved	95%				

Preauthorizations:

Number of Contacts	2,610	448	1,625	469	68
New Cases	1,165	68	861	233	3
Resolved	1,146	67	828	247	4
Percent Resolved	98%				

For unresolved cases, SHIP staff work with CMS for assistance.

Maryland Cares Data FY 2006 - HB 1467

June 7, 2007

	Total					
	F1	F2	F3	P1	P2	P3
	# contacts Formulary	new cases formulary	resolved formulary	# contacts preauth	new cases preauth	resolved preauth
Allegany Co.	6	4	3	1	2	2
Anne Arundel Co	622	15	15	622	14	14
Baltimore City	768	45	39	13	6	9
Baltimore Co.	825	821	821	804	804	804
Calvert Co.	875	79	30	0	2	0
Carroll Co.	660	660	655	0	0	0
Cecil Co.	185	212	184	2	2	2
Charles Co.	1132	338	267	70	45	42
Frederick Co.	393	0	0	0	0	0
Garrett Co.	174	130	149	15	15	13
Harford Co.	651	73	50	59	22	18
Howard Co.	303	68	41	23	21	3
MAC TOTAL	730	133	124	223	81	94
Dorchester	0	0	0	0	0	0
Somerset	0	0	0	0	0	0
Wicomico	0	0	0	0	0	0
Worcester	730	133	124	223	81	94
Montgomery County	47	47	48	8	8	7
Prince George's Co.	440	48	45	0	0	0
Queen Anne's Co.	440	28	23	398	25	20
St. Mary's Co.	175	11	8	6	2	1
USA TOTAL	186	145	183	6	18	18
Caroline	115	41	112	0	0	0
Kent	129	129	129	7	19	19
Talbot	27	20	18	0	0	0
Washington Co.	645	172	172	358	98	98
MDoA	16	7	7	1	0	0
TOTAL	9358	3081	2940	2610	1165	1146
			95%			98%
			141			19

Maryland Cares Data FY
June 7, 2007

	Summary - State FY 06 (June only)						Summary State Q 1 - July - Sep 06					
	F1	F2	F3	P1	P2	P3	F1	F2	F3	P1	P2	P3
	# contacts Formulary	new cases formulary	resolved formulary	# contacts preauth	new cases preauth	resolved preauth	# contacts Formulary	new cases formulary	resolved formulary	# contacts preauth	new cases preauth	resolved preauth
Allegany Co.	0	0	0	0	0	0	2	0	2	1	1	2
Anne Arundel Co	0	0	0	0	0	0	127	0	0	127	6	6
Baltimore City	0	0	0	0	0	0	123	16	12	12	5	8
Baltimore Co.	0	0	0	0	0	0	0	0	0	0	0	0
Calvert Co.	0	0	0	0	0	0	267	11	8	0	0	0
Carroll Co.	0	0	0	0	0	0	64	64	64	0	0	0
Cecil Co.	27	27	22	0	0	0	60	57	51	0	0	0
Charles Co.	0	0	0	0	0	0	281	99	59	40	21	18
Frederick Co.	0	0	0	0	0	0	67	0	0	0	0	0
Garrett Co.	0	0	0	0	0	0	12	12	12	0	0	0
Harford Co.	2	2	1	2	2	1	130	8	4	5	2	1
Howard Co.	0	0	0	0	0	0	36	12	11	1	1	1
MAC TOTAL	0	0	0	0	0	0	377	65	23	82	19	20
Dorchester	0	0	0	0	0	0	0	0	0	0	0	0
Somerset	0	0	0	0	0	0	0	0	0	0	0	0
Wicomico	0	0	0	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	377	65	23	82	19	20
Montgomery County	0	0	0	0	0	0	5	5	4	2	2	1
Prince George's Co.	0	0	0	0	0	0	68	13	13	0	0	0
Queen Anne's Co.	3	3	3	4	4	4	43	2	2	43	3	3
St. Mary's Co.	2	2	2	0	0	0	27	2	1	0	0	0
USA TOTAL	0	0	0	0	0	0	0	0	0	0	0	0
Caroline	0	0	0	0	0	0	44	10	42	0	0	0
Kent	0	0	0	0	0	0	25	25	25	0	0	0
Talbot	0	0	0	0	0	0	5	1	1	0	0	0
Washington Co.	0	0	0	0	0	0	155	4	4	128	2	2
MDoA	0	0	0	0	0	0	3	3	3	1	0	0
TOTAL	34	34	28	6	6	5	1921	409	341	442	62	62

Maryland Cares Data FY

June 7, 2007

	Summary State Q2 (Oct - Dec 06)						Summary State Q3 (Jan - Mar 07)					
	F1	F2	F3	P1	P2	P3	F1	F2	F3	P1	P2	
	# contacts Formulary	new cases formulary	resolved formulary	# contacts preauth	new cases preauth	resolved preauth	# contacts Formulary	new cases formulary	resolved formulary	# contacts preauth	new cases preauth	
Allegany Co.	3	3	0	0	0	0	0	1	1	1	0	0
Anne Arundel Co	384	9	9	384	6	6	6	89	5	5	89	2
Baltimore City	509	22	20	0	0	0	0	136	7	7	1	1
Baltimore Co.	619	619	619	619	619	619	619	206	202	202	185	185
Calvert Co.	383	37	3	0	0	2	0	171	16	1	0	0
Carroll Co.	424	424	424	0	0	0	0	129	129	124	0	0
Cecil Co.	83	83	70	2	2	2	2	0	39	36	0	0
Charles Co.	411	164	146	23	20	18	18	334	57	44	7	4
Frederick Co.	224	0	0	0	0	0	0	76	0	0	0	0
Garrett Co.	90	74	76	13	13	13	13	54	35	52	2	2
Harford Co.	242	7	3	28	5	3	3	227	50	36	22	11
Howard Co.	160	17	1	5	17	0	0	92	34	24	12	3
MAC TOTAL	282	66	85	110	51	46	46	71	2	16	31	11
Dorchester	0	0	0	0	0	0	0	0	0	0	0	0
Somerset	0	0	0	0	0	0	0	0	0	0	0	0
Wicomico	0	0	0	0	0	0	0	0	0	0	0	0
Worcester	282	66	85	110	51	46	46	71	2	16	31	11
Montgomery County	13	13	13	4	4	4	4	28	28	30	2	2
Prince George's Co.	323	30	27	0	0	0	0	49	5	5	0	0
Queen Anne's Co.	254	8	8	224	11	8	8	101	15	10	89	7
St. Mary's Co.	122	4	2	5	2	0	0	24	3	3	1	0
USA TOTAL	158	124	156	6	18	18	18	28	21	27	0	0
Caroline	51	17	50	0	0	0	0	17	11	17	0	0
Kent	96	96	96	6	18	18	18	5	5	5	0	0
Talbot	11	11	10	0	0	0	0	6	5	5	0	0
Washington Co.	362	132	132	202	91	91	91	128	36	36	28	5
MDoA	13	4	4	0	0	0	0	0	0	0	0	0
TOTAL	5059	1840	1798	1625	861	828	1944	685	659	469	233	233

Maryland Cares Data FY
June 7, 2007

Summary State Q 4 (April - Jun 07)

	P3 resolved preauth	F1 # contacts Formulary	F2 new cases formulary	F3 resolved formulary	P1 # contacts preauth	P2 new cases preauth	P3 resolved preauth
Allegany Co.	0	0	0	0	0	0	0
Anne Arundel Co	2	22	1	1	1	22	0
Baltimore City	1	0	0	0	0	0	0
Baltimore Co.	185	0	0	0	0	0	0
Calvert Co.	0	54	15	18	0	0	0
Carroll Co.	0	43	43	43	0	0	0
Cecil Co.	0	15	6	5	0	0	0
Charles Co.	6	106	18	18	0	0	0
Frederick Co.	0	26	0	0	0	0	0
Garrett Co.	0	18	9	9	0	0	0
Harford Co.	11	50	6	6	2	2	2
Howard Co.	2	15	5	5	5	5	0
MAC TOTAL	28	0	0	0	0	0	0
Dorchester	0	0	0	0	0	0	0
Somerset	0	0	0	0	0	0	0
Wicomico	0	0	0	0	0	0	0
Worcester	28	0	0	0	0	0	0
Montgomery County	2	1	1	1	1	0	0
Prince George's Co.	0	0	0	0	0	0	0
Queen Anne's Co.	4	39	0	0	38	0	1
St. Mary's Co.	1	0	0	0	0	0	0
USA TOTAL	0	0	0	0	0	0	0
Caroline	0	3	3	3	3	0	0
Kent	0	3	3	3	3	1	1
Talbot	0	5	3	2	0	0	0
Washington Co.	5	0	0	0	0	0	0
MDoA	0	0	0	0	0	0	0
TOTAL	247	400	113	114	68	3	4



Did You
Hear?

Medicare Part D Help Is Here!



The Senior Health Insurance Assistance Program (SHIP) can help to answer your questions about Medicare Part D drug plans.

We can help you to understand, change, or enroll in a plan that is best for you.



LOCAL HELP FOR PEOPLE WITH MEDICARE

1-800-243-3425

www.mdoa.state.md.us



MARYLAND

Department of Aging



**Medicare Part D
Prescription
Drug Program
Help Is
Here!**



1-800-243-3425



For information about the Medicare Prescription Drug Program or other health insurance issues, call your local Senior Health Insurance Assistance Program (SHIP) coordinator:

Allegany County
Amanda Paul
(301) 777-5970, ext 110

Anne Arundel County
Susan Knight
(410) 222-4464

Baltimore City
Thelma Winn
(410) 396-2273

Baltimore County
Pat Venable
(410) 887-2059

Calvert County
Tunya M. Taylor
(301) 855-1170
(410) 535-4606, ext 131

Caroline County
Irene Garrettson
(410) 479-2535

Charles County
Theresa Mason
(301) 934-0118
(301) 870-3388, ext 5118

Carroll County
Susan Cronin
(410) 386-3806
1-888-302-8978, ext 3806

Cecil County
Mary Kahoe
(410) 996-5295

Dorchester County
Carol Humphrey
(410) 376-3662, ext 106

Frederick County
Sharon Lynn
(301) 631-3522

Garrett County
Lynda Weeks
(301) 334-9431
1-888-877-8403

Harford County
Janet Wright
(410) 638-3025

Howard County
Jeanette Krapcho
(410) 313-7392

Kent County
Kim Porter
(410) 778-2564

Montgomery County
Leta Blank
(301) 590-2819

Prince George's County
Julie Neal
(301) 265-8471

Queen Anne's County
Bonnie English
(410) 758-0848

Somerset County
Carol Humphrey
(410) 742-0505

St. Mary's County
Debbie Barker
(301) 475-4200, ext 1064

Talbot County
Peggy Vance
(410) 822-2869

Washington County
Katrina Eversole
(301) 790-0275, ext 208

Wicomico County
Carol Humphrey
(410) 742-0505, ext 106

Worcester County
Carol Humphrey
(410) 742-0505, ext 106



LOCAL HELP FOR PEOPLE WITH MEDICARE

www.mdoa.state.md.us



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

JUN 28 2007

Leslie V. Norwalk, Esq.
Acting Administrator
Centers for Medicare and Medicaid Services
Mail Stop C5-26-16
7500 Security Blvd.
Baltimore, MD 21244-1850

Dear Ms. Norwalk:

Since the enactment of the Medicare Modernization Act of 2003 (P.L. 108-173), the Maryland Department of Aging (MDoA) and the Maryland Department of Health and Mental Hygiene (DHMH) have been engaged in implementation activities to facilitate Maryland Medicare beneficiaries' enrollment in Medicare prescription drug plans (PDPs) under Medicare Part D.

An enormous effort was undertaken to recruit and train volunteer counselors affiliated with MDoA's Senior Health Insurance Assistance Program (SHIP), and numerous hours spent training community professionals and developing community and professional partnerships. These efforts have resulted in huge educational and outreach campaigns to all Medicare beneficiaries in Maryland, with the ultimate goal of enrolling citizens in either Medicare Part D prescription drug plans or Medicare Advantage plans with prescription drug benefits. In addition to these activities, Maryland has been working closely with the Social Security Administration and the Centers for Medicare and Medicaid Services to enroll beneficiaries in the Low-Income Subsidy program.

Maryland has faced the challenge of transferring thousands of Medicare/Medicaid beneficiaries—full-duals and partial duals (i.e., QMB/SLMB duals) into PDPs—and is also one of the states that has dealt with the conversion of our State Pharmacy Assistance Program enrollees to Medicare Part D plans. SHIP staff and volunteers have been overwhelmed with these activities, and countless hours have been spent resolving enrollee problems. We have worked diligently to partner and work cooperatively with local, state and federal government agencies, as well as hundreds of community agencies and faith-based organizations.

In light of these activities, the Maryland General Assembly passed HB 1467, entitled *Maryland Cares*. This emergency bill authorized \$363,250 in the fiscal year 2006 budget, and \$1,636,750 in the fiscal year 2007 budget to be provided to the Maryland Department of Aging for distribution to Maryland's 19 local area agencies on aging.



Leslie V. Norwalk, Esq.
Page 2

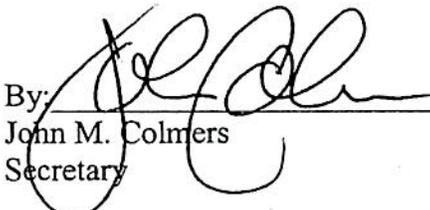
As directed by the *Maryland Cares* legislation, we respectfully request reimbursement for the \$363,250 expended in FY2006 and the \$1,636,750 expended in FY2007. These funds will be returned to the State General Fund.

Thank you for your attention and consideration of this request. Along with Governor O'Malley, we appreciate the positive working relationship between Maryland and CMS, and we look forward to hearing from you. Please feel free to contact either of us should you have any questions pertaining to this request.

Sincerely,

Maryland Department of Health & Mental Hygiene
201 W. Preston Street
Baltimore, MD 21201

Maryland Department of Aging
301 W. Preston St., Room 1007
Baltimore, MD 21201

By: 
John M. Colmers
Secretary

By: 
Gloria Lawlah
Secretary

cc: Governor Martin O'Malley
Ms. Nancy B. O'Connor, Regional Administrator, CMS
Mr. Robert Adams, SHIP Project Officer, CMS