| KS Plan Administrators, L.L.C. | Material ID: H0332_TBP25_C |
|---|---|
| **SUBJECT: Part D – Transition Policy 2025**<br>**Last Updated: 8/27/2024**<br>**Effective Date: 1/1/2025** | **Applicable Plans: Signature, Freedom, City of Houston, Transport Workers Union, Shell Greater Houston** |

**DEFINITIONS** (All defined words in this document are displayed with initial capitals, except for acronyms.)

1. **Beneficiary**: An individual enrolled in a Delegated PBM Client Medicare Part D Plan, also known as an Enrollee or Member. These terms may be used interchangeably throughout the document.
2. **CMS:** U.S. Centers for Medicare and Medicaid Services.
3. **Contract Year:** The period for which a particular plan benefit package applies. Also known as the "plan year." In the case of the transition period for current Beneficiaries across contract years in non-calendar plans, the term "contract year" refers to the calendar year for which the new formulary is effective.
4. **Delegated PBM ®:** Delegated PBM and each of its subsidiaries and affiliates.
5. **Food and Drug Administration (FDA):** The U.S. Food and Drug Administration (FDA) is the government agency responsible for reviewing, approving, and regulating medical products, including pharmaceutical drugs and medical devices.
6. **Long-term Care** (**LTC):** A variety of services that help people with health or personal needs and activities of daily living over a period of time. Long-term care can be provided at home, in the community, or in various types of facilities, including nursing homes and assisted living facilities. Most long-term care is custodial care.
7. **Medicare Part D (Part D):** An optional voluntary benefit available to all beneficiaries with Medicare that is run by private companies that contract with Medicare. The program provides outpatient drug coverage and requires beneficiaries to pay a monthly premium.
8. **Non-formulary Drugs**: This means: (a.) Part D drugs that are not on a Sponsor's formulary; (b.) Part D drugs previously approved for coverage under an exception once the exception expires and (c.) Part D drugs that are on a Sponsor's formulary but require prior authorization, step therapy, or approved quantity limits lower than the Beneficiary's current dose, under a Sponsor's utilization management rules.
9. **Point of Sale (POS):** A capability of retail pharmacies to electronically access plan design and eligibility information to process and transmit drug claims data at the time of purchase.
10. **Prior Authorization (PA):** An evaluation of the drug's prescribed use against a predetermined set of criteria in order to determine whether the drug/drug class will be covered by the beneficiary's insurance plan.
11. **Transition Fill - Medicare (TF):** A temporary supply of a Part D covered drug per CMS Part D requirements.

**PROCEDURES**

1. The KelseyCare Advantage Transition Fill (TF) program is implemented by the Delegated PBM (OptumRx) according to Centers of Medicare and Medicaid Services (CMS) guidance and requirements. Per CMS requirements, A Part D sponsor's transition process is necessary with respect to the transition of: (1) new enrollees into prescription drug plans following the annual coordinated election period; (2) newly eligible Medicare beneficiaries from other coverage; (3) enrollees who switch from one plan to another after the start of the contract year; (4) current enrollees affected by negative formulary changes across contract years; and (5) enrollees residing in long-term care (LTC) facilities .
    a. Transition supplies are provided at the point of sale to eligible Beneficiaries which meet one of the following requirements:
        i. New Beneficiaries in the plan following the annual coordinated election period within the first 108 days of the contract year.
        ii. Newly eligible Medicare Beneficiaries from other coverage within the first 108 days of enrollment in KelseyCare Advantage.
        iii. Beneficiaries who switch from another Part D Plan after the start of a Contract Year within 108 days of enrollment in KelseyCare Advantage.
        iv. Current Beneficiaries affected by negative formulary changes (including new utilization management requirements) within 108 days of the benefit change.
        v. Beneficiaries residing in long-term care (LTC) facilities, within 108 days of enrollment OR after the first 108 days of enrollment if a temporary supply is urgently required .
    b. For a drug to be eligible for a transition fill it must meet the Centers for Medicare and Medicaid Services (CMS) requirements for a Part D drug in addition to one of the following requirements:
        i. The drug you have been taking is **no longer on the plan's Drug List**.
        ii. or -- the drug you have been taking is **now restricted in some way.** Restrictions may include Part D drugs that are on the KelseyCare Advantage formulary (Drug List) but require prior authorization or step therapy or approved quantity limits lower than the Beneficiary's current dose.

c. Eligible beneficiaries will receive no more than a 30-day supply (or less if the prescription is written for fewer days) of an eligible drug as a transition supply during an eligible period.

d. Eligible beneficiaries who reside in a long-term care facility (LTC) will receive no more than a 31-day supply (or less if the prescription is written for fewer days) of an eligible drug as a transition supply during an eligible period.

2. Level of Care Changes

   a. The plan will provide a temporary supply for beneficiaries who are transferred from on treatment setting to another. For instance, moving from an inpatient hospital setting to home. In these unexpected situations, KelseyCare Advantage will cover a temporary 30-day transition supply or a 31-day transition supply if you reside in a long-term care facility (LTC) (unless you have a prescription written for fewer days). To ask for a temporary supply due to a level of care change, call Member Services (contact information provided on the last page).

3. The transition process allows for medical review of Non-formulary Drug requests or requests for drugs that have certain requirements. It is encouraged that beneficiaries utilize this time to discuss their options with their provider. Options may include:

   a. **Change to another drug:** It is possible that there is a different drug covered by the plan that might work just as well for you. You can call Member Services (contact information provided on the last page) to ask for a list of covered drugs that treat the same medical condition. This list can help your provider find a covered drug that might work for you.

   b. **Complete a coverage determination:** You or your provider can ask the plan for a coverage determination if you want us to cover a drug on our Drug List and you believe you meet any plan rules or restrictions (such as getting approval in advance) for the drug you need. For more information about starting a coverage determination for your drugs call member services (contact information provided on the last page) or visit our website www.kelseycareadvantage.com.

   c. **Ask for an exception:** You and your provider can ask the plan to make an exception for you and cover the drug in the way you would like it to be covered. If your

provider says that you have medical reasons that justify asking us for an exception, your provider can help you request an exception to the rule.

4. In accordance with Centers for Medicare and Medicaid Services (CMS) guidance, beneficiaries who receive a transition fill will be provided with a written notice within 3 business days after adjudication of the transition fill.