



Information Partners Can Use on:

# COMPARISON OF OUTPATIENT PRESCRIPTION DRUG COVERAGE: MEDICARE, VA, CHAMPVA, TRICARE

**Medicare Prescription Drug Coverage**

**As of July 2007**

This chart compares Medicare, VA, CHAMPVA, and TRICARE prescription drug coverage to help people understand how prescription drug coverage varies. The amounts shown in this chart are for 2007.

	MEDICARE PRESCRIPTION DRUG COVERAGE	VA	CHAMPVA	TRICARE
<b>Who is eligible?</b>	Available to all people with Medicare.	Available to all veterans who are eligible for, and enroll in VA health care coverage.	Available to a spouse, widow(er), or child of certain veterans killed or disabled in the line of duty. If eligible for Part A, CHAMPVA generally requires enrollment in Part B.	Available to active duty and retired military and dependents. If age 65 on or after April 1, 2001, an individual must have Part B coverage to use the TRICARE pharmacy program. Individuals who turned age 65 before April 1, 2001 don't need to enroll in Part B to use the TRICARE pharmacy benefit.
<b>Who fills my prescription(s)?</b>	Generally, prescriptions are filled at a plan participating pharmacy. Some plans may also offer a mail order option.	Generally, VA prescriptions are written by VA doctors and filled by VA pharmacies or by the Consolidated Mail Outpatient Pharmacy Program (CMOP).	Prescriptions may be filled at retail pharmacies or through the no-cost Meds by Mail Program.	Prescriptions may be filled at military treatment facilities, through the TRICARE Mail Order Pharmacy, at TRICARE retail network pharmacies, or at non-network pharmacies.
<b>How much are premiums?</b>	\$27 monthly national average for the premium (varies by plan)	None	None	None
<b>How much are copayments?</b>  (Note: Amounts may vary by plan.)	\$265 deductible, then 25% copayments until \$2,400 total in drug spending.  100% payment until the \$3,850 out-of-pocket limit is met.  5% or the copayment (\$2.15 or \$5.35), whichever is higher, after the \$3,850 out-of-pocket limit is met and for the rest of the calendar year.	\$8 copayment for each 30-day or less supply of medication.  VA limits drug copayments at \$960 yearly for some veterans.	\$50 yearly deductible for all outpatient care, including retail pharmacy.  Cost-share for retail pharmacy is 25% of the allowable amount.  If no other drug benefits, may use Meds by Mail for maintenance prescription drugs.	Military Treatment Facilities: up to a 90-day supply (formulary drugs only) at no cost.  TRICARE retail network pharmacies: up to a 30-day supply; \$3 generic, \$9 brand name, and \$22 non-formulary copayment.



	MEDICARE PRESCRIPTION DRUG COVERAGE	VA	CHAMPVA	TRICARE
<b>How much are copayments?</b> (continued)	(See previous page.)	(See previous page.)	Once an individual meets the CHAMPVA catastrophic yearly out-of-pocket limit (\$3,000 in 2007), CHAMPVA pays 100% of prescription drug coverage.	TRICARE mail order pharmacy: up to a 90-day supply: \$3 generic, \$9 brand name, and \$22 non-formulary copayment.  Non-network pharmacies have higher cost shares and a deductible. TRICARE Prime enrollees pay point-of-service charges which don't count toward the \$3,000 out-of-pocket medical expense cap.  An individual won't pay more than \$3,000 in out-of-pocket expenses per fiscal year for <b>ALL</b> covered medical care and prescriptions.
<b>Is there extra help available to pay for prescription drug costs?</b>	Yes. If a person with Medicare has limited income and resources, Medicare helps pay the Medicare drug plan's monthly premium, deductible, and copayments.  If a person with Medicare has Medicaid, Supplemental Security Income (SSI), or belongs to a Medicare Savings Program, he or she will automatically get extra help with prescription drug costs and doesn't need to apply for it.	Yes. There are no drug copayments for limited income veterans. Limited income for VA purposes is based upon VA's pension amount.	No. There are no additional benefits to help pay for prescription drugs for individuals with limited income and resources.	No. There are no additional benefits to help pay for prescription drugs for individuals with limited income and resources.
<b>What drugs are covered (formulary)?</b>	Each Medicare drug plan has its own list of covered drugs (with certain requirements set by Medicare).	National formulary of covered drugs.	National formulary of covered drugs.  CHAMPVA uses the VA formulary for prescriptions filled through Meds by Mail.  <b>Note:</b> People enrolled in a Medicare drug plan won't be eligible for Meds by Mail.	National formulary of covered drugs.  Department of Defense policy requires a generic, if available.  <b>Note:</b> People enrolled in a Medicare drug plan won't be able to use the TRICARE Mail Order Pharmacy benefit unless a TRICARE-covered item isn't covered by Medicare or the person is in the coverage gap.



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<b>Who is the “primary” and the “secondary” payer?</b>	Generally, a Medicare drug plan is the secondary payer if there is other prescription drug coverage.	<p>VA is the primary payer if it is a benefit or service provided or directed by VA.</p> <p>VA won't bill Medicare for prescription drugs prescribed by VA doctors.</p> <p>If a prescription is filled by a Medicare drug plan, it won't go to VA for any additional payment.</p>	<p>Medicare is the primary payer and CHAMPVA is the secondary payer if it is a benefit payable by both Medicare and CHAMPVA.</p> <p>CHAMPVA will pay Medicare drug plan copayments up to 75% of the CHAMPVA allowable amount for prescriptions.</p>	<p>Medicare is the primary payer if the individual is enrolled in a Medicare drug plan.</p> <p>Other health insurance is secondary payer if enrolled in a Medicare drug plan.</p> <p>TRICARE is the secondary payer if the drug is both a Medicare and TRICARE covered drug, if there is no other prescription drug coverage. TRICARE, as secondary payer, will pay the individuals out-of-pocket expenses (deductible and cost-shares) for TRICARE-covered prescriptions.</p> <p>TRICARE won't reimburse people with Medicare for their monthly Medicare drug plan premiums.</p> <p>People with Medicare will have no copayments for TRICARE-covered prescriptions until the Medicare coverage limit of \$2,400 (in 2007) in total drug costs is reached. After the coverage limit, TRICARE becomes the primary payer and the person with Medicare is responsible for TRICARE pharmacy copayments/ cost-shares.</p>



## **For more information about Medicare prescription drug coverage**

- visit [www.medicare.gov](http://www.medicare.gov) on the web. Under “Search Tools,” select “Medicare Prescription Drug Plan Finder” to get personalized information about Medicare drug plans.
- call the State Health Insurance Assistance Program (SHIP).
- visit [www.medicare.gov](http://www.medicare.gov) on the web or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

## **For more information about VA prescription drug coverage**

- visit [www.va.gov/healtheligibility](http://www.va.gov/healtheligibility) on the web.
- call the VA Health Benefits Service Center at 1-877-222-VETS (1-877-222-8387) or visit the local VA medical facility.

## **For more information about CHAMPVA prescription drug coverage**

- visit [www.va.gov/hac](http://www.va.gov/hac) on the web.
- Call 1-800-733-8387.

## **For more information about TRICARE prescription drug coverage**

- visit [www.tricare.mil/pharmacy](http://www.tricare.mil/pharmacy) on the web.
- call 1-866-363-8779 for the TRICARE Retail Pharmacy Program.
- call 1-866-363-8667 for the TRICARE Mail Order Pharmacy Program.