Model Monthly Drug Claim EOB

## Instructions to Health Plans

**NOTE: Do not include these instruction pages when you send EOBs to members.**

*Plans are subject to the notice requirements under Section 1557 of the Affordable Care Act. For more information, refer to* [*https://www.hhs.gov/civil-rights/for-individuals/section-1557*](https://www.hhs.gov/civil-rights/for-individuals/section-1557)*.*

This is a model Explanation of Benefits (EOB) for monthly reporting of drug claims only.

Plans are not required to send an EOB if the member has no drug claims in the reporting period.

**Claims that must be included within the EOB**

* Insert Part D drug claims and non-Part D (Medicaid) drug and non-Part D (Medicaid) over-the-counter product claims from all pharmacy settings (mail order, retail, LTC) in the Drug Claims section (Section A). Note that Part A and Part B drug claims should not be included.
* Drug claim information must include the name of the drug, followed by quantity, strength and form (for example: 25 mg tabs) and the name of the pharmacy.
* Prior-year fills that do not apply to the current EOB do not need to be included in this EOB and do not require a separate EOB.
* Plans must include all drug claims processed during the reporting period. Any benefit information that cannot be included timely must be accounted for in a following reporting period.

**Instructions within the template**

* Italicized blue text in square brackets is information for the plans. Do not include it in the EOB.
* Non-italicized blue text in square brackets is text that can be inserted or used as replacement text in the EOB. Use it as applicable.
* The first time the plan name is mentioned, the plan type designation “(Medicare-Medicaid Plan)” must be included after the plan name, as detailed in the State’s specific marketing guidance for Medicare-Medicaid Plans.
* When instructions say to insert the month and year, spell out the full name of the month (for example: January 2020).
* Where the template instructs inclusion of a phone number, plans must ensure it is a toll-free number and include a toll-free TTY number and days and hours of operation.

**Permissible document alterations**

* Plans must revise references of “Medicaid” to use the State-specific name for the program throughout the EOB.
* Plans should modify the text in the introduction to be consistent with the required disclaimer language in the State’s marketing guidance for Medicare-Medicaid Plans.
* Plans should add Medicaid-specific language where appropriate.
* Minor grammar or punctuation changes are permissible.
* References to “Member,” “Member Services,” and “Member Handbook” can be changed to the appropriate name used by the plan or required by the State.
* References to “year” or “calendar year” may be changed to “plan year.”
* Plans should make every effort to use a reporting period that aligns with a complete calendar month. However, if your plan uses a reporting period that does not correspond exactly to a calendar month, you may substitute the date range for your reporting period (for example: 1/1/20 to 2/3/20 **or** January 1 – February 3, 2020) whenever instructions say to insert the month and year.
* Plans may suggest lower cost alternatives that members and/or their providers could consider. Consistent with the “Modernizing Part D and Medicare Advantage to Lower Drug Prices and Reduce Out-of-Pocket Expenses” final rule (CMS-4180-F), CMS will require plans to include negotiated price increases and lower cost therapeutic alternatives in their members’ Part D EOBs beginning January 1, 2021. However, given this information’s potential benefit to members, we strongly encourage plans to begin implementing this requirement before January 1, 2021. Plans may add this information as a **Note** in the first column of the drug claims chart in Section A of this model.

**Formatting**

* Changes to the font type and/or font color are only permissible if such changes comply with Section 508 requirements.
* With the exception of charts, which should generally be in landscape formation, either landscape or portrait page format may be used.
* With the exception of Section A, the remaining sections of the document are to be formatted as two-column or three-column text to keep line lengths easy to read. (The main title of a section may extend beyond the first column.) Plans may adjust the width of the columns in the template.
* To help conserve paper, the document can be printed double-sided.
* The document must have a header or footer that includes the page number. If desired, plans may also include any of the following information in the header or footer: member identifiers, month and year, title of the document. The Material ID must appear in the header or footer on the first page only.
* Unless specific formatting instructions for dates have been given, plans may use their preferred method of formatting the date (for example, “mm/dd/yy”).
* *Wherever possible, plans are encouraged to adopt good formatting practices that make information easier for English-speaking and non-English speaking enrollees to read and understand. The following are based on input from beneficiary interviews:*
* *Format a section, chart, table, or block of text to fit onto a single page. In instances where plan-customized information causes an item or text to continue on the following page, enter a blank return before right aligning with clear indication that the item continues (for example, similar to the Benefits Chart in Chapter 4 of the Member Handbook, insert:* **This section is continued on the next page***).* An individual row of a chart should not break across pages. (In the model language in this document, rows sometimes break across pages because of instructions and substitution text.)*.*
* *Ensure plan-customized text is in plain language and complies with reading level requirements established in the three-way contract.*
* *Break up large blocks of plan-customized text into short paragraphs or bulleted lists and give a couple of plan-specific examples as applicable.*
* *Spell out an acronym or abbreviation before its first use in a document or on a page (for example, Long-term services and supports (LTSS) or low income subsidy (LIS)).*
* *Include the meaning of any plan-specific acronym, abbreviation, or key term with its first use.*
* *Avoid separating a heading or subheading from the text that follows when paginating the model.*
* *Use universal symbols or commonly understood pictorials.*
* *Draft and format plan-customized text and terminology in translated models to be culturally and linguistically appropriate for non-English speakers.*
* *Consider using regionally appropriate terms or common dialects in translated models.*
* *Include instructions and navigational aids in translated models in the translated language rather than in English.*
* *Consider producing translated models in large print.*

**Member disenrollment**

* When a member disenrolls from the plan during the plan year, the plan must send an EOB to the former member after disenrollment if any drug claims are processed prior to the member disenrolling. For example, if a member disenrolls at the end of August and the plan processes claims in months prior to disenrollment, the disenrolling plan must send a final EOB.

**HPMS submission**

* Prior to use, all plans must upload an EOB in HPMS under the material code and review process outlined for that specific State.

<Plan name>

*Explanation of Benefits*

A summary of your drug claims for [insert: <month year> or <date range>]

[Insert mailing date]

**For <member name>**

[Plans may also insert a member’s mailing address, member ID number, and/or other information typically used in member communications. Do not use complete HICN.]

**This is not a bill.**

[Insert plan’s legal or marketing name] is a health plan that contracts with both Medicare and [insert name of <State> Medicaid program] to provide benefits of both programs to enrollees.

This *Explanation of Benefits* (EOB) is a summary of claims (bills) sent to <plan name> for drugs you got during [insert month and year **or** date range]. The EOB tells you what we paid pharmacies. [Plans with no cost sharing for drugs, delete the following sentence:] The EOB also shows how much you paid.

#### Disclaimers

[*Plans must include all applicable disclaimers as required in the State-specific Marketing Guidance.*]

###### Other formats

You can get this *Explanation of Benefits* for free in other formats, such as large print, braille, or audio. Call Member Services at <toll-free phone and TTY numbers>, <days and hours of operation>. The call is free.

###### Need help?

If you have questions, call us at <toll-free number>. We are here <days and hours of operation>. TTY only: <TTY number>.

You can also find information in your *Member Handbook* or call 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week. (TTY users should call 1-877-486-2048.)

#### How to use this *Explanation of Benefits*

Please check it over carefully.

* **Do you recognize the name of each pharmacy?** Check the dates. Did you get drugs that day?
* **Did you get the drugs listed?** Do they match those listed on your receipts? Do the drugs match what your doctor prescribed?
* [Plans with no cost sharing for drugs, delete the following language.] **Did you pay the right cost sharing amount?** Call us at <toll-free number> if you have questions about how much you must pay.

For more information, you can call <plan name> Member Services or read the <plan name> *Member Handbook*.

#### What if you see mistakes on this summary?

If something is confusing or doesn’t look right on this *Explanation of Benefits*, please call us at <plan name> Member Services. [If applicable: You can also find answers to many questions on our website: <web address>.]

#### What about possible fraud?

If this summary shows drugs you’re not taking or anything else that looks suspicious to you, please contact us.

* Call us at <plan name> Member Services.
* Or call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call these numbers for free, 24 hours a day, 7 days a week.
* [Plans may also insert additional State-based resources for reporting fraud.]

# Your drug claims for [insert: <month year> or <date range>]

[Drug claims in this section should not include Part A or Part B drug claims.]

**NOTE:** The amount in the “plan’s share” column includes payments made for you by Extra Help for Medicare Part D drugs. Extra Help is a Medicare program that helps you pay prescription drug costs. [Insert if applicable: The “plan’s share” column also includes payments made for you by <names(s) of other programs or organizations>.]

| [Plans should include the name of the pharmacy. Plans may add the location of the pharmacy and other additional pharmacy information (for example: Non-network pharmacy), if desired.] | Date(s) of serviceThe date(s) you got the drugs | Plan’s shareThe amount <plan name> pays for the drugs | Your share The amount you may need to pay for the drugs |
| --- | --- | --- | --- |
| [**Insert name of drug (other than compound) followed by quantity, strength, and form (for example: 25 mg tabs). Identify compound drugs as such and provide quantity.**][Insert prescription number], [insert amount dispensed as quantity filled and/or days’ supply (for example: 15 tablets **or** 30 days’ supply).] [Plans may add additional information about the prescription; if preferred, plans may insert drug information here exactly as shown on the pharmacy claim.][If Section C contains a change that applies to a drug listed in the drug claims chart, plans must insert a note here to alert the member that this change has taken place. For example: **Note:** Beginning on June 1, 2020, step therapy will be required for this drug. See Section C for details.][The plan may also suggest lower-cost alternatives that a member and his or her doctor might want to consider in this section.] | [Insert date(s) filled, using mm/dd/yy format.] | $[Insert plan share amount for this drug. Include any payments (e.g., Extra Help) made by other programs or organizations. Use $0.00 if applicable.] | $[Insert member liability amount for this drug. Use $0.00 if applicable.] |
| [Insert next drug for the pharmacy, using language described above.] |  |  |  |
| [Insert next drug for the pharmacy, using language described above.] |  |  |  |

**THIS IS NOT A BILL**

[Plans with one coverage stage (that is, with no member cost sharing for any Part D drugs), delete the following paragraph:]

You have met <$year-to-date TrOOP> towards your out-of-pocket limit of <$TrOOP amount>. [The <$year-to-date TrOOP> is the cumulative YTD total. Update the <$year-to-date TrOOP> to include claims from the reporting period, any payments (e.g., Extra Help) made by other programs or organizations, any claim reversals, and any TROOP balance transfers from the prior plan.] Once you reach this limit, you will have no more cost sharing for your Medicare Part D drugs for the rest of the year. The <$year-to-date TrOOP> amount includes <$0.00> in copays you paid and <$0.00> in payments made for you by Medicare’s Extra Help program [insert if applicable: and <names(s) of other programs or organizations>]. [The <$0.00> in copays and <$0.00> in payments are the cumulative YTD totals that were applied to the TrOOP. Update these amounts to include claims from the reporting period. Update the <$0.00> in payments to include any payments (e.g., Extra Help) made by other programs or organizations and include the name(s) of program(s) or organization(s)].

# You have the right to make an appeal about your drug claims

[Include plan-specific information about Medicaid appeals.]

When we decide whether a drug is covered [plans with cost sharing, insert: and how much you pay], it’s called a “coverage decision.” Making an appeal is a formal way of asking us to change our coverage decision. You can make an appeal if we deny a claim in whole or in part. [Plans with cost sharing insert: You can also make an appeal if we approve a claim but you disagree with how much you are paying for the drug.]

There are rules for how appeals are handled. These are legal procedures, and the deadlines are important. You can get a fast appeal if your doctor tells us that your health requires a quick decision.

If you have questions, or if you need help making an appeal, you can call:

* <Plan name> Member Services at <toll-free number>.
* Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call these numbers for free, 24 hours a day, 7 days a week.
* Medicaid at <phone number>. [Plans must revise references of “Medicaid” to use the State-specific name for the program.]
* [Plans may add contact information for additional resources such as the State Health Insurance Assistance Program (SHIP), ombudsman, etc. Plans that add other resources are encouraged to describe them consistently with descriptions used in Chapter 2 of the Member Handbook.]

For more information about making an appeal, please see Chapter 9 [*plans may insert reference, as applicable*] in your *Member Handbook*.

# Updates to our Drug List that will affect drugs you take

* [Use this section to provide negative formulary updates that affect drugs the member is taking—that is, any plan-covered drugs the member got during the current calendar year while a member of the plan. Include updates only if they affect drugs the member is taking and involve negative changes. (Changes to the formulary from one year to the next do not need to be included in the EOB.)
* **If there are no updates, delete this section.**
* If an update is for a negative formulary change that is not a formulary maintenance change, insert: If you are currently taking this drug, this change will not affect your coverage for this drug for the rest of the plan year.]

#### About the Drug List

[*Plan must insert if it sends a hard copy List of Covered Drugs:* <Plan name> sent you a *List of Covered Drugs* or “Drug List” for short.] [*Plan must insert if it only sends a hard copy List of Covered Drugs upon request*: <Plan name> sent you a notice telling how to get a *List of Covered Drugs* or “Drug List” or how to access it online.] The Drug List tells which drugs are covered by our plan. It also tells which [plans with cost sharing, insert: cost sharing] tier each drug is in and whether there are any restrictions on coverage for a drug.

Our website (<web address>) always has the most current version of the Drug List. You can also call Member Services and ask for a copy.

During the year, we may make changes to our Drug List.

* We may add new drugs, remove drugs, and add or remove restrictions on coverage for drugs. We are also allowed to change drugs from one [plans with cost sharing, insert: cost sharing] tier to another.
* Some changes to the Drug List will happen **immediately**. For example:
* [*Plans that otherwise meet all requirements and want the option to immediately replace brand name drugs with their generic equivalents must provide the following advance general notice of changes:* **A new generic drug becomes available**. Sometimes, a new and cheaper drug comes along that works as well as a drug on the Drug List now. When that happens, we may remove the current drug, but your cost for the new drug will stay the same [*insert if applicable, for example, if the plan’s Drug List has differential cost-sharing for some generics:* or will be lower].]
* We will immediately remove drugs from our Drug List for safety reasons or when manufacturers remove them from the market.
* For all other changes to the drugs you take that will affect you, you will have at least 30 days’ notice before any changes take effect.

#### Updates that affect drugs you take

The list that follows tells **only**about updates to the Drug List that change the coverage [plans with cost sharing, insert: or cost] of **drugs you take**.

“Drugs you take” means any plan-covered drugs that you got in [insert year] as a member of our plan.

[Below we show model language for reporting several common types of changes to the Drug List. Do not include sections that are not applicable. Plans may adapt this language as needed for grammatical consistency, accuracy, and relevant detail (for example, describing a drug as “brand name” or “generic”). Plans may also provide additional explanation of changes, if desired, and suggest specific drugs that might be suitable alternatives. To report changes for which model language is not supplied, use the model language shown below as a guide.]

**<Drug name>** [Insert name of step therapy drug. Plans may also insert information about the strength or form in which the drug is dispensed (for example: tablets **or** injectable).]

* **Date and type of change:** Beginning [insert effective date of the change], step therapy will be required for this drug. This means you will be required to try [insert: a different drug first **or** one or more other drugs first] before we will cover [insert name of step therapy drug]. This requirement encourages you to try another drug that is just as safe and effective but less costly than [insert name of step therapy drug]. If [insert: this other drug does not **or** the other drugs do not] work for you, the plan will then cover [insert name of step therapy drug].
* **Note:** See the information later in this section that tells “What you and your doctor can do.” [If applicable, plans may insert information that identifies possible alternate drugs, for example: You and your doctor may want to consider trying <alternate-drug-1> or <alternate drug-2>. Both are on our Drug List and have no restrictions on coverage. They are used in similar ways as [insert name of step therapy drug], and they are on a lower cost sharing tier].]

**<Drug name>** [Insert name of drug for which the quantity is limited. Plans may also insert information about the strength or form in which the drug is dispensed (for example: tablets **or** injectable).]

* **Date and type of change:** Beginning [insert effective date of the change], there will be a new limit on the amount of the drug you can have. [Insert description of how the quantity will be limited.]
* **Note:** See the information later in this section that tells “What you and your doctor can do.”

**<Drug name>** [Insert name of drug for which prior authorization is required. Plans may also insert information about the strength or form in which the drug is dispensed (for example: tablets **or** injectable).]

* **Date and type of change:** Beginning [insert effective date of the change], prior authorization will be required for this drug. This means you or your doctor need to get approval from the plan before we will agree to cover the drug for you.
* **Note:** See the information later in this section that tells “What you and your doctor can do.” [Plans may insert more explanation if desired, for example: Your choices include asking for prior authorization in order to continue having this drug covered or changing to a different drug.]

[*Plans may use the language below with appropriate modifications to provide notice of both immediate generic substitutions by plans meeting the requirements and other generic changes, as long as the notice is provided to the enrollee within required timeframes.*]

**<Drug name>** [Insert name of brand name drug that has been or will be replaced with generic or whose preferred or tiered cost-sharing or restrictions changed (or will change) with the addition of the new generic drug. Plans may also insert information about the strength or form in which the drug is dispensed (for example: tablets **or** injectable).]

* **Date and type of change:** Effective [insert effective date of the change],the brand name drug [insert name of brand name drug to be replaced with generic] [insert: will be ***or*** was] [insert description of change, including removal, substitution, change to the brand name drug’s cost-sharing tier, or any restrictions with the addition of the generic drug] from our Drug List. We [insert: will add ***or*** added] a new generic version of [insert name of brand name drug to be replaced with generic] to the Drug List (it is called [insert name of replacement generic drug]).
* We [*insert:* are replacing ***or*** replaced] ***or***[*insert:* are changing ***or*** *change*d] [*insert:* cost-sharing ***or*** restrictions] for [*insert name of brand name drug*] because [*insert name of generic drug*], a [*insert if applicable:* new] generic version of [*insert name of brand name drug to be replaced with generic*], is now available. [*Plan should indicate tier placement of generic drug. For instance, insert name of generic drug* (tier [*insert cost-sharing tier number or name for the replacement generic drug*]) is on [*insert:* the same tier as ***or*** a lower tier than] [*insert name of brand name drug*], the drug it [*insert:* is replacing ***or*** replaced] [*insert if generic drug is on a lower tier:* (tier [*insert cost-sharing tier number or name for the brand name drug that is being replaced*]). The amount you will pay for this drug may change when you fill the prescription depending on whether you have met your out-of-pocket limit for the year. To find out how much you will pay for [*insert name of generic drug*], please call Member Services.
* If your prescriber believes this generic drug is not right for you due to your medical condition, you or your prescriber can ask us to make an exception. See the information later in this section that tells “What you and your doctor can do.”
* **Note:** [Plans may insert further information if applicable, for example: This change can save you money because [insert name of replacement generic drug] is in a lower cost sharing tier than [insert name of brand name drug to be replaced with generic].]

**<Drug name>** [Insert name of drug for which cost sharing will increase. Plans may also insert information about the strength or form in which the drug is dispensed (for example: tablets **or** injectable).]

* **Date and type of change:** Effective [insert effective date of the change], [insert description of the change, for example: the brand name drug] [insert name of drug for which cost sharing will increase] will move from tier 2 to tier 3.] [Plans with one coverage stage (that is, with no member cost sharing for any Part D drugs), delete the rest of this paragraph:] The amount you will pay for this drug may change when you fill the prescription depending on whether you have met your out-of-pocket limit for the year. To find out how much you will pay, please call Member Services.
* **Note:** See the information later in this section that tells “What you and your doctor can do.” [Plans may add more information if desired, for example: You and your doctor may want to consider trying a lower cost generic drug, [insert name of lower-cost generic drug], which is in cost sharing tier [insert number or name of cost sharing tier].]

#### What you and your doctor can do

Depending on the type of change, there may be different options to consider. For example:

* **You can call Member Services** at <toll-free number> to ask for a list of covered drugs that treat the same medical condition.
* **Your doctor might be able to find a different drug** covered by the plan. The drug might work just as well for you and have fewer restrictions [plans with cost sharing for any tier of drugs insert: or a lower cost].
* **You and your doctor can ask the plan to make an exception for you.** Your doctor will need to tell us why making an exception is medically necessary for you. To learn how to ask for an exception, see Chapter 9 [*plans to insert section and/or page reference, as applicable*] in your *Member Handbook*. For more information about asking for an exception, call Member Services at <toll-free number>.