

HOW WILL THIS CHANGE AFFECT MY COPAY?

The VA will continue to offset your required copayment dollar for dollar with the amount VA receives from your insurance company.

The VA copayment is always the responsibility of the Veteran.

Examples of how the copayment is applied and the remainder of copayment is calculated

Example 1:

Veteran receives a 90-day fill for SIMVASTATIN 80 mg (NDC 24658-0214-45) at dosage of one tablet per day

Bill to Insurance = (Drug Cost of \$0.084) X (Days Supply of 90) = \$7.56 + Admin Fee of \$12.39 = \$19.95

Paid by Insurance = \$19.95

VA Copayment (Priority Group 8) = \$27

Veteran Owes = (VA Copayment of \$27) – (Amount Paid by Insurer of \$19.95) = \$7.05 owed

(Note: Since the amount paid by the insurer was less than the VA copayment bill of \$27, the Veteran owes the remainder of their VA Copay Bill).

You will not be billed the remainder of the insurance pharmacy bill. You are only responsible for your VA Copay Bill.

The VA is committed to America's Veterans, and provides exceptional health care that improves their health and well-being.



If questions arise related to the Third Party Pharmacy Prescription Rule change, please do not hesitate to contact; 1-877-222-VETS (8387).

Information on THIRD PARTY PHARMACY PRESCRIPTION RULE CHANGE AND ITS IMPACT ON THE VETERAN POPULATION



PRESCRIPTION BILLING FOR INSURANCE CARRIERS

VA adopted a new prescription billing policy on March 18, 2011. Under this policy VA is required to bill health insurers (insurance companies) for the drug cost plus an administrative fee. Previously, VA billed health insurers a flat rate of \$51, with this change VA will bill the insurer the cost of the drug plus an administrative fee and you will see this change on the Explanation of Benefits (EOB) you receive from your health insurer.

Below is the website detailing the rule change: <http://edocket.access.gpo.gov/2010/pdf/2010-25043.pdf>

MEDICATION COST AND ADMINISTRATIVE FEE

VA will bill to your health insurer the drug cost plus the administrative fee associated with dispensing your medication. This fee will be updated yearly. The administrative fee for 2012 is \$12.39.

MEDICATION COPAYMENT

Copayment – is a fee that a Veteran agrees to pay when they become eligible for VA health care services.

If you are required to pay a copay, your medication copayment will not change. VA will continue to charge a fee for each 30 day or less supply of drugs given on an outpatient basis for non-service connected conditions. Copays may be different amounts depending on your priority category.

Medication copays are also charged for all over-the-counter medications, such as aspirin, cough syrup, and vitamins that are dispensed from the VA pharmacy. Many of these medications are NOT billable to your health insurer. You may be responsible for the entire VA copay bill.

The link below explains more about VHA Medication copayments:
<http://www.va.gov/healthbenefits/assets/documents/publications/IB10-336.pdf>

COMMONLY ASKED QUESTIONS

Who is affected?

This change affects Veterans who have health insurance and receive prescription medication for outpatient treatment for a non-service connected condition.

Why does my explanation of benefits (EOB) look different?

Previously, VA billed health insurers a flat fee of \$51. Under the new rule, VA bills the actual cost of each drug plus an administration fee. This new amount is what you will see on your bill or EOB, rather than the \$51 you have seen in the past. The effective date for this change was March 18, 2011.

The image shows a VA pharmacy bill and payment coupon. The bill includes the following information:

- RX CO-PAYMENT
- OUTPATIENT CARE (NSC)
- COPAY RX: 3800135 FD: 01/28/2011
- PREVIOUS BALANCE \$ 40.00
- TOTAL CHARGES \$ 242.00
- NAME OF CREDIT CARD
- REMIT TO

The coupon includes the following information:

- *CREDIT CARD NUMBER
- *EXP. DATE
- STATEMENT DATE
- AMOUNT OF PAYMENT
- DUE DATE

A note at the bottom of the coupon reads: "If paying by check or money order and send payment to *REMIT TO account number on check or money order with an asterisk (*). Do not".