

August 29, 2017

Nicole M. Cunningham  
Planning, Policy & Quality Unit  
Division of Medicaid & Medical Assistance  
1901 N. DuPont Hwy.  
P.O. Box 906  
New Castle, DE 19720-0906

**RE: DMMA Proposed Delaware Prescription Drug Payment Assistance Program (DPAP)  
Regulation [21 DE Reg. 127 (August 1, 2017)]**

Dear Ms. Cunningham:

The Governor's Advisory Council for Exceptional Citizens (GACEC) has reviewed the Division of Medicaid and Medicare Assistance (DMMA) proposal to amend the regulations establishing the Delaware Prescription Drug Payment Assistance Program (DPAP), which will eliminate the DPAP. The DPAP has historically been paid from the Delaware Health Fund (p. 128). The rationale (p. 128) is as follows:

The most recent internal Delaware Health and Social Services/Division of Medicaid and Medical Assistance (DHSS/DMMA) report indicates that all but two members have prescription coverage through Medicare Part D. The program is being eliminated due to a reduction in usage, along with an overall reduction in expenditures by DMMA.

Council would like to share the following observations.

First, the above justification is not very illuminating since most DPAP enrollees have had Medicare-D coverage in past years as well. DMMA notes (p. 128) that most costs for low-income Medicare-D beneficiaries are covered by Medicare -D:

Individuals with Medicare (the majority of DPAP clients) would select a Part D Prescription Plan and apply for Extra Help (Low-Income Subsidy) through the Social Security Administration. The Low-Income Subsidy, or LIS, which is paid by the Centers for Medicare & Medicaid Services, would provide financial assistance (at levels of 100%, 75%, 50%, and 25%) for monthly Part D premiums, annual deductibles, and prescription coverage through the Part D coverage gap to low-income individuals. Medicare Part D would be primary to the Delaware Prescription

Assistance Program.

However, it would be informative to disclose what costs the DPAP covered which Medicare-D and the Low-Income Subsidy do not cover. For example, it is troubling to note that the FY17 Delaware Health Fund Advisory Committee approved \$2.5 million for this program which was included in the FY17 budget. In contrast, the FY18 budget omits any DPAP funding and the DHSS website indicates the program has already been eliminated. A reasonable person might ask what the \$2.5 million covered in FY17 that will not be covered in FY18.

Second, consistent with the excerpt from the Delaware Code, the enabling legislation for the DPAP has been repealed. Therefore, as a practical matter, the current regulation merely implements the repeal of the enabling law. **Council would like more information on the effect of the repeal; therefore, we would like to request the last three annual reports on the DPAP** prepared in fulfillment of Title 16 Del.C. §3006B.

Thank you for your consideration of our observations and requests. Please contact me or Wendy Strauss at the GACEC office if you have any questions.

Sincerely,

Dafne A. Carnright  
Chairperson

DAC:kpc

CC: Steve Groff, DMMA