# **MED D - Explaining and Calculating Claims Example 2**

**Scenario:** Mr. Matthews is calling in because his doctor is thinking about prescribing Xarelto. Mr. Matthews is aware that he is in the coverage gap. He would like a price estimate for the 20Mg Xarelto that he would be taking twice a day for 90 days and receiving through the mail.

**Note:** To explain and calculate the claim for this year, replace the Total Out of Pocket and Plan Design information with the current year’s values. The values in this example may not reflect the current year’s information.

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| **Step** | **Action** | |
| **1** | From the Main Screen, click the Test claim button at the top of the screen.  C:\Users\ax02205\AppData\Local\Temp\SNAGHTML5aae0ca.PNG | |
| **2** | Enter all of the prescription details obtained from the member and click the **Run Test** button located at the bottom of the screen. Refer to [MED D - Test Claim](TSRC-PROD-021325). | |
| **3** | Provide Mr. Matthews with the estimated copay of the covered medication.    **Note:** On an EGWP account, view the financials and the supplemental financials before quoting a copay. | |
| **If member...** | **Then...** |
| Does not inquiry about reason for the cost | Proceed to Step 13. |
| Inquiries about reason for the cost | Proceed to next step. |
| **4** | Click on the **details** hyperlink to see the test claim results. | |
| **5** | Click **View Financial Details**.    **Result:** View Financial Detail Screen displays. | |
| **6** | Review and note the following:   * Total cost of the medication or Cost Allowed - (**Example:** $2,747.16 (which includes the $53.87 sales tax) * Stages that the medication has been processed in - (**Example:** Coverage Gap as well as the Catastrophic Stage) * Total Beneficiary’s copay or Participant Cost - (**Example:** $491.33)   **Note:** We are able to determine the stages that the claim is processed in because the cost is divided amongst those two stages and there is $0.00 cost in both the deductible and Initial Coverage Limit. | |
| **7** | Advise the beneficiary:   * The cost of their medication causes them to exceed their True Out of Pocket amount of $5,100, taking them out of the Coverage Gap and causing them to enter into the Catastrophic Stage. * The copays are assessed in both stages   + (**Example:** There is $442.47 copay for the Coverage Gap and $48.86 copay for the Catastrophic Stage, which equals a total copay of $491.33) | |
| **8** | Review and note the following:   * Gap Gross Cost - (**Example:** $1,769.88) * Catastrophic Gross Cost - (**Example:** $977.28)     **Note:** When calculating a claim for a brand medication in the gap, due to the Medicare Gap Discount program, 95% of the total cost of a medication is applied to the Coverage Gap. To confirm how much was applied to the Coverage Gap multiple the Gap Cross Cost ($1,769.88) by 0.95 and the resulting amount ($1,681.38) should match what is in the Remaining Amount column on the Account Balance Screen. | |
| **9** | Review the Plan Design to determine what the beneficiary is responsible for paying.  (**Example:** Beneficiary is responsible for 25% of the cost of brand medications while in the Coverage Gap and the greater of $3.40 or 5% of the cost of brand medications while in the Catastrophic Stage.) | |
| **10** | Calculate the Coverage Gap Copay.  (**Example:**   * From Step 8, the Gap Gross Cost is the amount that was applies in the Coverage Gap. * From Step 9, the beneficiary is responsible for 25% of the cost in the Coverage Gap. * Multiply the Gap Gross Cost by 0.25 (25%)   + $1,769.88 by 0.25 (25%) = $442.47) | |
| **11** | Calculate the Catastrophic Copay.  (**Example:**   * From Step 6, the total cost of the medication is $2,747.16. * From Step 8, the Gap Gross Cost is $1,769.88. * Subtract the Gap Gross Cost from the Total Cost of the medication.   + $2,747.16 - $1,769.88 = $977.28 (Catastrophic Gross Cost) * From Step 9, the beneficiary is responsible for the greater of $3.40 or 5% of the cost of brand medications while in the Catastrophic Stage. * Multiple Catatrophic Gross Cost by 0.05 (5%)   + $977.28 X 0.05 (5%) = $48.86) | |
| **12** | Add the Coverage Gap Copay and the Catastrophic Copay for total copay.  (**Example:** $442.47 + $48.86 = $491.33) | |
| **13** | Provide Mr. Matthews with details on how each value was obtained and address and other questions. | |

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