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

**Scenario:** Mr. Matthews is calling in because his doctor is thinking about prescribing Eliquis. Mr. Matthews is aware that he is in the coverage gap. He would like a price estimate for Eliquis 5mg that he would be taking twice a day for 90 days and receiving through Retail.

**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** | Run a test claim for the medication in question. Refer to [Compass - Test Claims](TSRC-PROD-050041) as needed. | |
| **2** | Provide beneficiary with the estimated copay of the covered medication. | |
| **If member...** | **Then...** |
| Does not inquire about reason for the cost | Provide beneficiary with details on how each value was obtained and address and any additional questions. Do not proceed to the next step. |
| Inquires about reason for the cost | Proceed to the next step. |
| **3** | Review financial details for the test claim results by clicking the blue **$ amount** hyperlink in the **Retail Mbr Pay** Column.    **Result:** The Financial Details screen displays. | |
| **4** | 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:**  Stage 3: Coverage Gap as well as Stage 4: Catastrophic Stage) * Total Beneficiary’s copay or Member Pay - (**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 Copay** fields. | |
| **5** | Advise the beneficiary:   * The cost of their medication causes them to exceed their True Out of Pocket amount ($7,400 in 2023; $8,000 in 2024), 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) | |
| **6** | Under the Med D Financials section of the Financial Details screen, 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 multiply the Gap Gross 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 Accumulations Screen. | |
| **7** | 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 $10.35 or 5% of the cost of brand medications while in the Catastrophic Stage.) | |
| **8** | Calculate the Coverage Gap Copay.    **Example:**   * From Step 6, the Gap Gross Cost ($1,769.88) is the amount that was applied in the Coverage Gap. * From Step 7, 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 | |
| **9** | Calculate the Catastrophic Copay.  **Example:**   * From Step 4, the total cost of the medication is $2,747.16. * From Step 6, 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 7, the beneficiary is responsible for the greater of $10.35 or 5% of the cost of brand medications while in the Catastrophic Stage. * Multiply Catastrophic Gross Cost by 0.05 (5%).   + $977.28 X 0.05 (5%) = $48.86 | |
| **10** | Add the Coverage Gap Copay and the Catastrophic Copay for total copay.  (**Example:** $442.47 + $48.86 = $491.33) | |
| **11** | Provide beneficiary with details on how each value was obtained and address and any additional questions. | |

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