

State of Vermont Agency of Human Services 280 State Drive, Center Building Waterbury, VT 05671-1000

Global Commitment Register

June 29, 2022

GCR 22-046 FINAL

VPharm Drug Coverage Expansion

Policy Summary:

The Vermont Medicaid program is expanding drug coverage available under VPharm 2 and VPharm 3 to be equivalent to the drug coverage available under VPharm 1 and the Medicaid program. VPharm is a State pharmaceutical assistance program that provides supplemental drug coverage to Medicare beneficiaries who are enrolled in Medicare drug plans. Currently, VPharm 2 and VPharm 3 coverage is limited to maintenance medications, over-the-counter medications, and diabetic supplies.

Effective July 1, 2022, all three tiers of VPharm (1, 2, and 3) will have the same drug coverage that is currently available under VPharm 1 and the Medicaid program. This is a significant expansion of pharmacy coverage to low-income Vermonters with Medicare. This will allow VPharm 2 and VPharm 3 enrollees to receive \$1/2 copays for more drugs through VPharm. This change will result in lower out-of-pocket costs for VPharm members.

Coverage for people enrolled in VPharm 1 will not change. This is an expansion of drug coverage for Vermonters who are enrolled in VPharm 2 and VPharm 3 only.

Effective Date: July 1, 2022

Authority/Legal Basis: 33 V.S.A. § 2073 Global Commitment to Health 1115 Waiver

Population Affected: Medicare beneficiaries enrolled in VPharm 2 and VPharm 3

Fiscal Impact: The estimated gross annualized budget impact is \$24,397.

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