



SEP 16 2004

Dear Tribal Leader/Urban Program Director:

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) contains numerous provisions that affect Medicare beneficiaries and health care providers, including the Indian Health Service (IHS), Tribes/Tribal Organizations, and Urban Indian programs (I/T/Us).

The purpose of this letter is to inform I/T/Us of upcoming IHS Area-wide training focused on the implementation of the new Medicare Prescription Drug Discount Card and Transitional Assistance (TA) program (\$600 credit for prescriptions) in Indian Country. The Drug Discount Card and TA program is a temporary program that began for the general population in June 2004. In order to take advantage of the TA program benefits for 2004, American Indian and Alaska Native (AI/AN) Medicare-eligible beneficiaries must be enrolled in the program by December 31, 2004.

The Centers for Medicare and Medicaid Services (CMS) has approved two American Indian/Alaska Native "special endorsed" Drug Discount Card sponsors, Criterion Advantage and Pharmacy Care Alliance. These sponsors will provide services specifically tailored to Indian Country. More information on Criterion Advantage and Pharmacy Care Alliance can be found on their Web sites at www.criterionadvantage.com and www.pcacard.com, respectively.

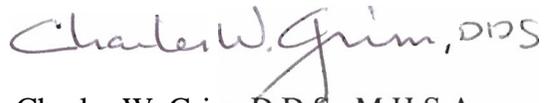
With the approval of the two Drug Discount Card sponsors, the IHS and CMS are collaboratively sponsoring IHS Area-wide training to help staff in I/T/U facilities understand the new Medicare program. A "Train the Trainer" format will be used to provide guidance to I/T/U staff on how to enroll eligible AI/AN Medicare beneficiaries in the Drug Discount Card and TA program. Enclosed for your information is a training "toolkit" which includes the following documents: Tab A – Training Materials – training agenda, calendar of training dates, and IHS Area Office contacts; Tab B – Drug Discount Card General Program Information Guide for I/T/Us; and Tab C – Drug Discount Card Enrollment Materials. The training targets staff such as health directors, billing office staff, patient benefits coordinators, contract health services staff, and other identified I/T/U staff who need to understand the basic elements of the program. The first training will be held on September 17 in Midwest City, Oklahoma, and subsequent training will be held from late September through October.

Participation in the Medicare Prescription Drug Discount Card and TA program will prepare the I/T/Us for the implementation of the permanent Medicare Prescription Drug Benefit (Part D) that will be implemented effective January 1, 2006. The CMS has published proposed regulations for Part D as well as for Part C, the Medicare Advantage program. Comments are due on these proposed regulations by October 4, 2004. We encourage your submission of comments on these proposed regulations. You may find further information at www.cms.gov.

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The IHS encourages I/T/Us to send appropriate staff to the upcoming "Train the Trainer" events. For further detailed information about the training, please contact your IHS Area Office point of contact (list enclosed). Look for updates on the drug card program and other pharmacy issues on the IHS Web site at www.pharmacyissues.ihs.gov.

Sincerely yours,

A handwritten signature in cursive script that reads "Charles W. Grim, D.D.S.".

Charles W. Grim, D.D.S., M.H.S.A.
Assistant Surgeon General
Director

Enclosures