

Talking Points

(Prepared 06-08-2010)

Issue: 2010 Medication Copay Rate Change

- Effective July 1, 2010 – Veterans who generally have higher income and no service-connected disabilities – enrolled in Priority Groups 7 and 8 – will pay an additional \$1 for each 30-day supply of outpatient medication. This increase from \$8 to \$9 is the first change in VA's medication copay since January 1, 2006.
- This change does not affect Veterans in Priority Groups 2 through 6 who will continue to pay \$8 for each 30-day supply of medications for their non-service connected conditions, with a maximum amount paid capped at \$960 annually, unless they are otherwise exempt from the copay.
- There is no medication copay associated with treatment of conditions related to military service.
- Veterans who have an injury or illness connected with their military service resulting in a disability rated 50 percent or greater – enrolled in Priority Group 1 – do not pay a copay for their outpatient medications. Nor do other Veterans who are exempt as a matter of law, for example, former Prisoners of War.
- Veterans who have difficulty paying copayments for outpatient medications should be directed to discuss the matter with their local VA enrollment coordinator. Veterans may also contact VA at 1-877-222 VETS (8387) or visit VA's health eligibility Web site at www.va.gov/healtheligibility.
- All enrolled Veterans will be informed of the \$1 increase for Veterans in Priority Groups 7 and 8 via an insert in their monthly billing statements. Additionally, brochures and posters will be available at local VA medical centers and on the internet.
- VA could have increased the medication copay to \$9 for all Veterans last January. However, on December 31, 2009, VA published an interim final rule in the Federal Register to freeze the copay at the current rate (\$8) for six months. This freeze was put in place to give VA time to evaluate whether the scheduled increase in the copayment might pose a significant financial hardship for certain Veterans and if so, what alternative approach would provide appropriate relief for these Veterans.
- After conducting a thorough review of options and to minimize the impact on Veterans in the most need of VA care, VA submitted a new regulation to the Office of Management to increase the copay rate from \$8 to \$9 only for Veterans in Priority Groups 7 and 8. This regulation will be published in the federal register on June 9, 2010; the \$1 increase from \$8 to \$9 dollars will be effective July 1, 2010.