

WELCOME !

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Medicare Prescription Drug Benefits

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Medicare D: Prescription Drug Benefit

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What is PAF Case Management?

Patient Advocate Foundation Case Management program that helps you understand health insurance coverage options, address problems you run into with your coverage and connecting you to resources that may help with financial challenges you have with paying for care, household expenses and income replacement benefits such as disability.

PAF Case Managers Provide Navigation To:

- Accessing prescribed healthcare services and medications including understanding their healthcare benefits
- Issues related to their health insurance benefits, including denials of care, out-of-pocket costs, network issues and insurance options
- Financial concerns including cost-of-living expenses and medical expenses
- Practical needs including transportation and nutritional needs
- Assistance with filing an application for disability
- Assistance with investigating options to get medical insurance coverage

Agenda

Medicare Coverage

Medicare D Coverage – Choosing a Plan

Financial Help – Options

Common Denials & Other Important Info

What is Coming?

A lighthouse on a rocky island at sunset. The sky is a gradient of pink and purple, and the water is dark. The lighthouse is white with a green top and a black lantern room. It is surrounded by large, dark rocks.

MEDICARE

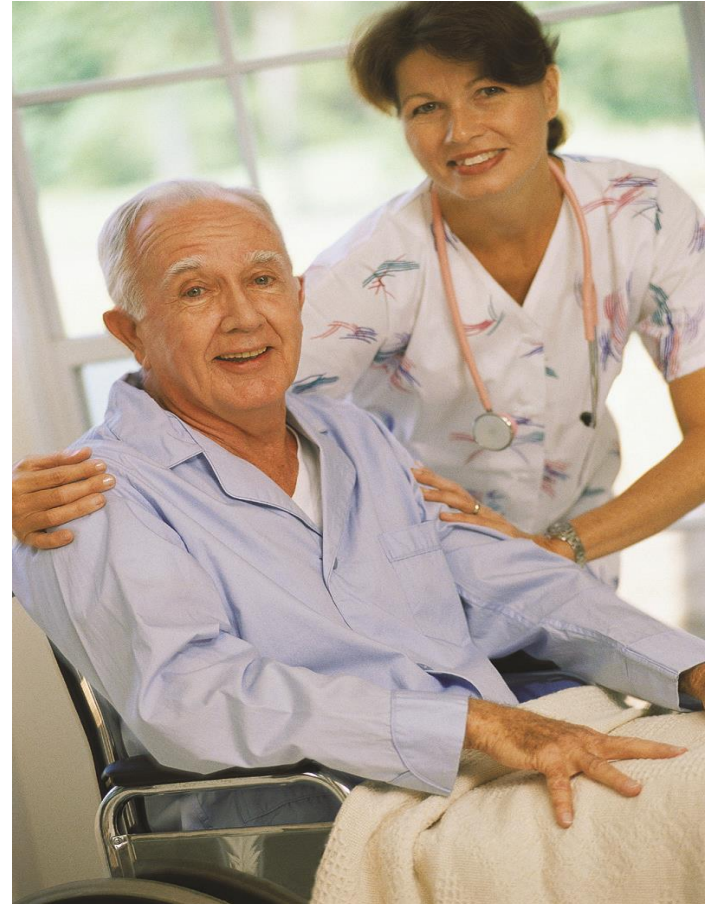
What is the Coverage?

Part A - Hospital Insurance

Medicare Part A is Hospital insurance, which is included in original Medicare. It covers hospital stays, skilled nursing facility care, hospice, and some home health care. Part A can be premium-free if you or your spouse paid Medicare taxes for a certain amount of time while working.

Part B - Medical Insurance

Medicare Part B provides coverage for outpatient care, certain doctor services and tests, home health services, durable medical equipment and supplies, preventive services, and certain outpatient prescription drugs under limited conditions. Your monthly Part B premium will be based off your MAGI. Usually, most people will pay the standard monthly Part B premium.





Prescription Drug Coverage 'Medicare D'

Medicare Part D provides coverage for prescription drugs. There are specific Medicare approved plans that you can choose to enroll in for prescription coverage. Each plan varies in the drugs that are covered and the cost.

Medicare Advantage Plans: Part C

Medicare Advantage Plans are considered an “All in One” or “Bundled” plan. This can be an alternative to Original Medicare. The Advantage Plans include Part A, Part B, and usually Part D into one plan. These plans must still follow Medicare's coverage rules.

Medigap Plans: Also known as Medicare Supplemental Plans

Medicare supplemental insurance also known as Medigap plans, help cover remaining health care costs you have after Original Medicare such as co-payments, co-insurance, and deductibles.

Important Tip : Medicare Supplemental Insurance “Medigap” Open Enrollment period – 6-month period that starts the month you turn 65 and you have both Part A and Part B. Guaranteed Issue, even if you have health problems.

Guarantee issue for Medicare disabled or other enrollment periods vary state by state.



Two Open Enrollment Periods Every Year

You can switch Medicare options at two times during the year if your circumstances change.

1

Annual election period runs from October 15 through December 7

This is your first opportunity to make changes to your coverage. You can switch between Original Medicare or an MA plan or switch between MA plans. You can also add, change or remove your Part D plan.

2

Medicare Advantage Open Enrollment period runs from January 1 to March 31

During this time, you can only return to Original Medicare (and add drug coverage) or switch between MA plans with or without drug coverage.

Leaving, Joining, or Changing Plans

You might be able to leave, join, or change plans if you:

- move into a nursing home or skilled nursing facility
- move out of your plan's coverage area
- lose your current medication coverage
- want to change to a plan with a higher star rating





MEDICARE D

What is it and
How do I Choose a Plan?



Prescription Drug Coverage 'Medicare D'

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A person is shown from the chest up, looking down. The background is a softly lit room with a lamp on the left and a window with curtains on the right. The overall tone is calm and focused.

What Part D covers

A drug category is a group of drugs that treat the same symptoms or have similar effects on the body. All Part D plans must include at least two drugs from most categories and must cover all drugs available in many different categories, such as the following:

- HIV/AIDS treatments
- Antidepressants
- Antipsychotic medications
- Anticonvulsive treatments for seizure disorders
- Immunosuppressant drugs
- Anticancer drugs (unless covered by Part B)

Part D plans must also cover most vaccines, except for vaccines covered by Part B



What isn't covered by Part D?

Over-the-counter medications generally aren't covered by Part D plans, which include:

- vitamins
- supplements
- cosmetic and weight loss medications

Most drugs are covered under Part D, but there are some drugs that can be covered under both Part B or Part D depending on what the drug is used for and how it is administered.

Comparing Medicare Part D Costs

<p>Your location and available plans for your area</p>	<p>The type of coverage you want</p>	<p>Coverage gaps, also called the Donut hole</p>	<p>Your income, which can determine your premium</p>	<p>What medication you are prescribed</p>
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Your Costs for Medicare Part D in 2023 ^[2,3]

Part D premiums for prescription drug plans (PDP) - both standalone PDPs or MA-PDs

Can be on average \$31 per month but vary significantly depending on the Part D prescription drug plan.

Deductible and Cost-sharing

When you fill prescriptions at the pharmacy counter or via mail order, you can expect to pay the following amounts at various points in the year:

- First, you pay 100% of the costs for your medication up to \$505 deductible. Many plans have lower deductibles.
- After reaching the deductible, you pay 25% of the costs up to \$4,660.
- Then, if you spend \$7,400, your responsibility thereafter decreases to 5% of the costs.

The good news is that starting in 2025, your costs will be capped at \$2000 for prescription drugs at the pharmacy.

Visit the Medicare Plan Finder Tool for up-to-date and accurate cost information on specific Part D plans you are considering.




The Donut Hole

The donut hole is a coverage gap that begins after you pass the initial coverage limit of your Part D plan.

Your deductibles and copayments count toward this coverage limit, as does what Medicare pays. The coverage gap changes annually.

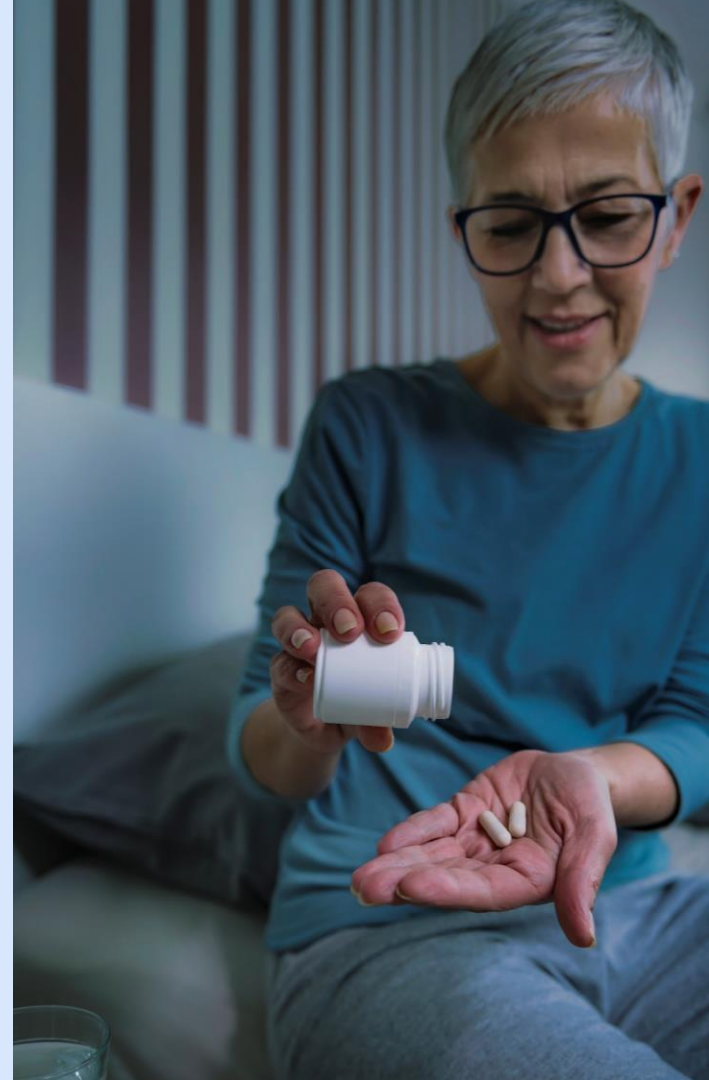
There's also a 70 percent discount on brand-name medications while you're in the donut hole to help offset costs.

Once your out-of-pocket expenses reached a certain amount, you qualify for catastrophic coverage. After this, you will only pay a 5 percent copay for your prescription medications for the rest of the year.

DEDUCTIBLE	INITIAL COVERAGE	COVERAGE GAP (DONUT HOLE)	CATASTROPHIC
<p>You will pay...</p> <p>up to \$505</p> <p>\$505 is the maximum Part D Prescription Drug deductible</p> <p>A deductible is the amount you owe before the insurance carrier helps</p> 	<p>You will pay...</p> <p>A copay (\$) or coinsurance (%), based on the drug's tier</p> <p>Once YOUR out-of-pocket copays PLUS the amount the plan pays on your behalf for your prescriptions reach \$4,660...</p> <p>...you enter the Coverage Gap (Donut Hole), where you may pay a higher cost</p> 	<p>You will pay...</p> <p>25% of the cost of generic and brand name drugs...</p> <p>...until your True Out-of-Pocket (TrOOP)* costs reach \$7,400</p> 	<p>You will pay the rest of the calendar year (the greater of)...</p> <p>5% coinsurance</p> <p>\$4.15 for generic drugs</p> <p>\$10.35 for all other drugs</p> <p>Note: Part D does not have a cap or max out-of-pocket limit. If you reach the Catastrophic phase, you're always paying something the rest of the year.</p>

HOW TO PICK THE BEST PLAN

- Are the medications I'm currently taking covered?
- How much will I pay monthly for my medications?
- Can I choose my pharmacy?
- Is there a mail order pharmacy option?
- What other out-of-pocket costs are there?
- Does the plan offer multi-state coverage?
- How much do medications not on the plan cost?



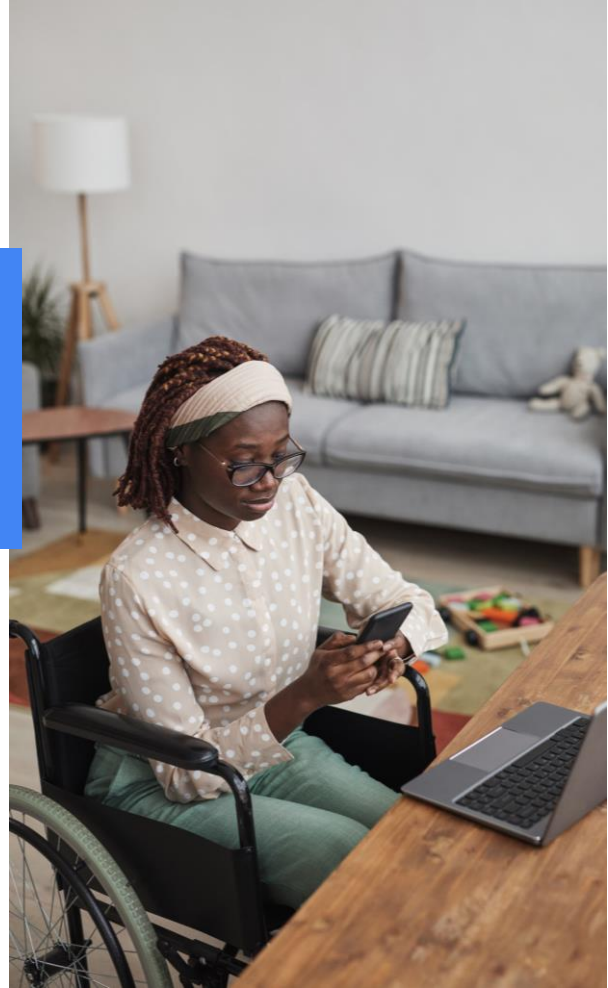
Other Important Factors

A Medicare drug plan can make changes to its drug list during the year

Once you choose a plan, you must stay in it until the next open enrollment period which starts on October 15th.

For certain drugs or under specific circumstances, your drugs may be covered by Part B or Part D

If your drug is not on the formulary, you may have to request an exception, pay out of pocket, or file an appeal.



A lighthouse stands on a rocky island at sunset. The sky is a gradient of pink and purple, and the water is dark. A yellow horizontal line is positioned above the text.

Financial Help Options

What is available?

MEDICARE D 'EXTRA HELP'

Extra Help is a program to help people with limited income and resources pay Medicare drug costs.

This is also known as “Part D Low-Income Subsidies”.

You can apply for this program through the Social Security website

<https://www.ssa.gov/medicare/part-d-extra-help>

WHO SHOULD APPLY FOR EXTRA HELP?

In most cases, to qualify for Extra Help, you must have income and resources below a certain limit. These limits go up each year. **The income limit is based on your income from the previous year.**

Income and resource limits in 2023:

Your situation:	Income limit:	Resource limit: What counts in resource limits? ⓘ
Individual	\$21,870	\$16,600
Married couple	\$29,580	\$33,240

EXTRA HELP BENEFITS

Full Extra Help:

- Plan Premium: \$0
- Plan Deductible: \$0
- Prescriptions: up to \$4.15 Generic; up to \$10.35 Brand

Partial Extra Help:

- Plan Premium: Will vary based on income
- Plan Deductible: No more than \$104
- Prescriptions: No more than 15% of each covered drug

Once the total drug costs (**what both you and your plan pay**) reach \$7,400, you'll pay no more than:

- \$4.15 for each generic drug
- \$10.35 for each brand-name drug

What Is a Patient Assistance Program (PAP)?

The term “PAP” is used to describe manufacturer’s copay support programs (free drug, co-pay coupons, cards, etc.) and charitable copay support programs interchangeably...

They are not the same.

FINANCIAL HELP

Drug Manufacturer Programs: Speak to your healthcare provider, pharmacist or investigate online to determine the patient assistance programs (PAPs) offered by pharmaceutical manufacturers

National Charitable Co-Pay Programs: 501(c)(3) organizations provide assistance to insured patients to assist with their co-pay costs. There are income eligibility guidelines, and the charity decides if the disease fund supports all insured patients or just Medicare only.

- Co-Pay Relief
- Good Days from CDF
- The Healthwell Foundation
- NORD
- PAN Foundation
- Accessia Health

Discount copay/coupon card: Drug cards may reduce your out-of-pocket payments for prescription drugs. They are either used instead of or alongside your insurance. The hundreds of prescription cards available fall into several groups. Each group and card may have its own restrictions. A general rule of thumb is that you should ensure that the use of a discount card is compatible with your insurance plan. Also, you should not have to pay a fee to obtain or use the card.

**Federal health benefits (Medicare, Medicaid, Veterans Benefits) are typically excluded from manufacturer assistance programs and copay/coupon cards.

Common Denials & Other Important Info



MEDICATION DENIALS

Common Medication Denial Reasons

- Drug requires prior authorization
- Medication requires step therapy
- Medication not covered as part of your covered benefits or is excluded according to plan language
- Maximum number of refills (or quantity) has been exceeded for this prescription
- Plan limitations exceeded
- Generic drug required or generic-only coverage
- Duplicate entry – drug processed at another pharmacy

COMMON COVERAGE ISSUES

Deductibles: Just because a medication is “covered” doesn’t mean that your insurance is paying for the medication. It’s possible that you have a deductible for your plan that has not yet been met. If so, your plan will expect you to pay the full deductible before it contributes towards any healthcare costs.

Billing: Is Your Insurance Keyed in Properly? *Double checking the basics first is worth it to fix an easy mistake.* Make sure that the pharmacy has your most current insurance information on file, or they may be processing your claim incorrectly, causing it to be rejected.

Another possible issue could be that you have a discount savings card in the system that you have used previously, and your insurer will not allow them both to be used. Double checking the basics first is worth it to fix an easy mistake.

What is Coming?



Sweeping Overhaul of Medicare Part D and Prescription Drug Pricing Regulations

Medicare Part D Redesign

Directly lowers out-of-pocket (OOP) costs for Medicare beneficiaries

Inflationary Rebates for Part B and D Drugs

Medicare Drug Price Negotiation

Will lower OOP costs for some patients, law is more about Part D than B

Medicare Part D Redesign

Starting in 2024

Low-income subsidy (LIS) benefits known as “Extra Help” is simplified

Partial subsidy eliminated

More people will receive full benefit

Limits Part D premium growth to no more than 6% per year between 2024-2030

Transitional out-of-pocket (OOP) cap at \$3,250

Starting in 2025

OOP cap at \$2,000 with the option to pay monthly spread over the year

2023

2024

2025

2026

2027

January 1

- Vaccines under Part D (such as shingles) free of charge
- Part D insulin capped at \$35 per month and deductibles do not apply

April 1 – Medicare FFS enrollees may pay less Part B coinsurance for Rx

July 1 – Part B insulin (such as via a pump) capped at \$35/month and deductibles do not apply

Part D premiums stabilized from 2024 – 2030

- Transitional OOP cap at \$3,250 (no cost-sharing in catastrophic)
- More people get Part D financial assistance (LIS program)

- Major Part D redesign takes effect.
- Permanent cap at \$2,000
- People can elect to pay cost-sharing in capped monthly amounts

Negotiated prices for 10 Part D drugs takes effect in 2026

Increasing # of drugs applicable in 2027 and beyond.



THANK YOU

Connect with a Case Manager!

Call us at 800-532-5274

We're here for you:
Monday to Friday
8:30 AM to 5:00 PM Eastern Time
We're closed for major holidays.

