WHAT YOU NEED TO KNOW ABOUT MEDICARE PART D

Pharmacy Outreach Program
The University of Rhode Island
College of Pharmacy

Updated October 2017
Medicare provides health insurance for…

- Aged 65 years or older
- Aged 65 years or less with certain disabilities
- All people with End-Stage Renal Disease (ESRD)
- All people with Lou Gehrig’s Disease (ALS)
THE PARTS OF MEDICARE

- **Part A**
  - Hospital insurance
- **Part B**
  - Medical insurance
- **Part C**
  - Medicare Advantage Plans
- **Part D**
  - *Prescription drug coverage*
Medicare Part A

- **Covers:**
  - Inpatient hospital care
  - Skilled nursing facilities (Under certain conditions)

- Usually doesn’t require a monthly payment (Premium)

- Out-of-pocket deductible for hospital stays (in 2015):
  - Days 1–60: $1,260 deductible
  - Days 61–90: $315 coinsurance per day
  - Days 91-150: $630 coinsurance per day
  - Beyond day 151: patient pays all costs.

- For skilled nursing facilities:
  - $157.50 per day for days 21 through 100 for each benefit period
Medicare Part B

- Helps cover:
  - Physician services
  - Durable medical equipment
  - Physical therapists
- Also covers other services and supplies:
  - Glucose monitors
  - Test strips
  - Lancets
  - Vaccines
- There is a **monthly premium** to enroll
- The standard Part B premium for 2017 is $104.90 per month (income based)
- In general, automatically deducted from social security checks
- The Part B deductible is $166
- Once deductible is paid enrollee generally pays a 20% co-payment for each service
Medicare Advantage (Part C)

- Health insurance coverage, including preventative care PLUS prescription drug coverage in a single plan
- In exchange, typically must use a certain network of doctors, hospitals, and pharmacies (HMO, PPO)
10 plans available in Rhode Island with drug coverage (for 2017)
- 2 more plans without drug coverage

If you already have a Medicare Advantage plan and you want to add drug coverage you **MUST** obtain it through your Medicare Advantage provider if they offer it.

- If you obtain an independent standalone drug plan instead, your health coverage under the Medicare Advantage plan will stop and you will return to Original Medicare.
MEDICARE PART D

- Stand-alone prescription drug coverage
- Open to all people eligible for Medicare
- *Open enrollment* begins **October 15, 2016**
  - Enrollment for coverage of the year 2017 ends on December 7, 2016
  - Coverage Begins on January 1\(^{st}\), 2017
- *Medicare Part D is VOLUNTARY!!*
Who *Should* Apply?

- People who are enrolled in a Med D plan right now but are thinking about *switching to another plan next year*

- You didn’t sign up for a plan when eligible last time around but you’re thinking of enrolling now
  - *Penalty:* 1% increase in premium for every month not enrolled
  - Longer you wait the higher the penalty when you do

- Enrolled in a Medicare Advantage Plan or Medigap Supplemental Insurance Plan but you *want to add or change your drug coverage*

- If you like your current plan, still good to check for any changes in premium, deductible, if it still exists!!
Who *Does Not* Need To Apply

- If you have **CREDITABLE** Coverage:
  - Creditable Coverage = a plan that provides a prescription drug benefit that is *EQUIVALENT or better* than Medicare Part D coverage

- You would have already been made aware of this by your insurance provider by mail
  - **KEEP THIS LETTER IN A SAFE PLACE**

**If you are unsure if your coverage is creditable or not, ask your employer or union for it!**
Penalty Info

- If you *did not enroll but were eligible to do so*
  - When you enroll now for coverage beginning on Jan. 1, 2017 – you will incur a **penalty of a premium increase of 1% per month that you were eligible**
  - Will have to wait until 2017 enrollment period to join a Medicare drug plan if don’t do so now!
    - Average premium 2016 = $34.10
    - 1% of $34.10 = $0.3410
    - 12 months penalty = $4.09 rounded to nearest 0.10 = $4.10
    - Therefore, $4.10 will be added on to your monthly premium every month forever!
You will **not** have this penalty enforced:

- If you were *not* previously eligible for Medicare Part D
- If you previously had creditable coverage
Affordable Care Act Changes

- Lower costs during “donut hole”:
  - Patients pay 40% of brand name drugs
  - Patients pay 51% of generic drugs
- Better Quality care:
  - Bonus payments from the government will give incentives to Medicare Advantage plans with better quality care
**HOW PART D WORKS**

- **Remember:** this is just an explanation of the template used as a general basis for the plans--there are options!

- **STANDARD PLAN (2017)**
  - $34.10 per month premium
  - $400 deductible (some plans don’t have deductibles)
  - Pay copayment until costs exceed $3,700 (copay varies by plan)
  - Limited coverage until total of $4,950 spent out of pocket
    - Patient pays 40% of Brand Drugs and up to 51% of generic drugs
    - This is called the coverage gap or “**Donut Hole**”
  - 95% coverage beyond the coverage gap (% varies by plan)
New Change for Donut hole, will only spend 45% out of pocket for brand name and 65% maximum for generic drugs!!!

0 - $400 is your Deductible

Co-Insurance : $401-$3700

Donut hole - $3,700 – $7,425

Catastrophic Coverage > $7,425

HOW PART D WORKS

You Pay 100%

Medicare Pays 95%

49-60% 40-51%

75% 25%

5%
Think of it as Steps!

- **Step #1 – The Deductible**
  - You pay 100% and plan pays 0%
  - You receive $400 worth of medications and pay $400

- **Step #2 – Co-insurance**
  - You pay 25% and plan pays 75%
  - You receive $3,300 worth of medications and pay $825 ($1225 including 400 deductible)
Step #3 – The Donut Hole
- New changes let you pay
  - 40% of brand drugs
  - Max of 51% generics
- Total paid out= $7425
- You paid $4950

Step #4 – Catastrophic Coverage
- You pay 5% and plan pays 95%
- You receive unlimited drugs for the remainder of calendar year
Even though you were enrolled in a program last year, you start from the Step #1 all over again on January 1, 2017.

You will continue to pay the premium every month regardless of what step that you are on.

- Even when in the “donut hole” a person still pays the monthly premium!
Besides Standard Plan...

- Must offer basic/standard drug benefit
  - *May offer enhanced benefit*
- Some have no deductible
- Some have help during “donut hole” *(coverage gap)*
- The Premium depends on the enhancements
- Mail order options may save costs on maintenance medications *(90 days)*
A statement sent by your insurance company telling you which medical services were paid for by them.

Includes:
- The service: date/place service provided
- Doctors fee and what was paid by them
- Remainder that the patient is responsible for

To show you what portion the insurance is paying for and which portion you are.
Get a complete list of your medications
  - Include all prescriptions-eye drops, creams, inhalers, patches, etc.

Go to www.Medicare.gov and click on “Formulary Finder”
  - Follow the prompts and enter your medications
  - Can also call 1-800-MEDICARE (1-800-633-4227)
  - Can enroll on line—have your Medicare card ready
  - CVS and Walgreens both have websites to condense your search of possible plans
What you will see...

www.medicare.gov
Attention: The 2015 plans are now available to review and compare. You can join a plan starting October 15, 2014 through December 7, 2014.

You have the option to complete a general or personalized plan search. A personalized search may provide you with more accurate cost estimates and coverage information. To begin your plan search, please choose from one of these options below.

**General Search**
A general plan search only requires your zip code.

**ZIP Code:**

By selecting this button you are agreeing to the terms and conditions of the [User Agreement](#).

[Find Plans](#)

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**Personalized Search**
A personalized plan search requires your zip code and complete Medicare information. This page is secured to protect your personal information. If you don’t want to enter your Medicare information, you may use the general search option above.

**ZIP Code:**

**Medicare Number:**

Example: 123456789A

Where can I find my Medicare Number?

**Last Name:**

**Effective Date for Part A:**

Not Part A? Select here.

**Date of Birth:**

By selecting this button you are agreeing to the terms and conditions of the [User Agreement](#).

[Find Plans](#)
Step 1 of 4: Enter Information

All fields on the page are required unless noted as Optional.

How do you get your Medicare coverage?
- Original Medicare [ ]
- Medicare Health Plan (such as an HMO, PPO, or Private-Fee-for-Service plan) [ ]
- I don’t have any Medicare coverage yet [ ]
- I don’t know what coverage I have [ ]

Do you get help from Medicare or your state to pay your Medicare prescription drug costs?
- I get help from Medicaid [ ]
- I get Supplemental Security Income [ ]
- I belong to a Medicare Savings Program (MSP) [ ]
- I applied for and got Extra Help through Social Security [ ]
- I don’t get any Extra Help [ ]
- I don’t know [ ]

Go Back  Continue to Plan Results
Step 2 of 4: Enter Your Drugs

Please select the information (e.g. dosing frequency) as prescribed by your doctor. Failure to enter information consistent with your prescription may result in the display of inaccurate pricing information. For example, if you select a frequency greater than that prescribed by your doctor, it may result in the display of the full drug cost rather than the appropriate cost-sharing amount. This will help us estimate your costs and allow you to see which plans cover your drugs. The site doesn’t show pricing for over the counter drugs or diabetic supplies (e.g. test strips, lancets, needles). For more information, you may contact the plan.

I don’t take any drugs  I don’t want to add drugs now

Type the name of your drug:

Find My Drug

Or Browse A-Z:

A B C D E F G H I J K L M
N O P Q R S T U V W X Y Z

Help with common drug abbreviations
Hints on how to enter drug information
Why can’t I find my drug?
**Step 3 of 4: Select Your Pharmacies**

Please select up to two pharmacies to get a better estimate of how much your prescription drugs will cost. If your pharmacy isn’t in a plan’s network, the cost you will see is the full price of the drug with no insurance. Also note that some plans offer lower drug prices at preferred network pharmacies, compared to other pharmacies in the network.

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**Available Pharmacies**

<table>
<thead>
<tr>
<th>Pharmacy Name</th>
<th>Address</th>
<th>Phone Numbers</th>
<th>Add Pharmacy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coastal Medical Elmhurst</td>
<td>1075 Smith St, 2Nd Flr, Providence, RI 02908</td>
<td>1-401-421-4400</td>
<td>Add Pharmacy</td>
</tr>
<tr>
<td>CVS Pharmacy</td>
<td>400 Admiral St, Providence, RI 02908</td>
<td>1-401-351-5030</td>
<td>Add Pharmacy</td>
</tr>
<tr>
<td>Jb Pharmacy</td>
<td>1017 Smith St, Providence, RI 02908</td>
<td>1-401-861-1194</td>
<td>Add Pharmacy</td>
</tr>
<tr>
<td>Providence VAMC Pharmacy</td>
<td>830 Chalkstone Ave, Providence, RI 02908</td>
<td>1-401-273-7100</td>
<td>Add Pharmacy</td>
</tr>
<tr>
<td>Rite Aid Pharmacy 10253</td>
<td>200 Academy Avenue, Providence, RI 02908</td>
<td>1-401-521-4941</td>
<td>Add Pharmacy</td>
</tr>
<tr>
<td>Roger Williams Hospital Pharmacy</td>
<td>825 Chalkstone Ave, Providence, RI 02908</td>
<td>1-401-456-2000</td>
<td>Add Pharmacy</td>
</tr>
</tbody>
</table>
You are now viewing 2017 plan data. View 2016 plan data.

### Refine Your Search

Update Plan Results

- Limit Your Monthly Plan Premium
- Limit Your Annual Drug Deductible
- Select Drug Options
- Select Coverage Options
- Select Special Needs Plans
- Change Health Status
- Select Plans By Company
- Update Plan Results

### Summary of Your Search Results

There are a total of 34 plans available in your area including Original Medicare. Please select one or more plan types to continue.

<table>
<thead>
<tr>
<th>Select All</th>
<th>Available Plans Based On Your Filters</th>
<th>Number of Plans Available: 33</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prescription Drug Plans (with Original Medicare) [?]</td>
<td>21 plan(s) available</td>
</tr>
<tr>
<td></td>
<td>Medicare Health Plans with drug coverage [?]</td>
<td>10 plan(s) available</td>
</tr>
<tr>
<td></td>
<td>Medicare Health Plans without drug coverage [?]</td>
<td>2 plan(s) available</td>
</tr>
</tbody>
</table>

Continue To Plan Results
Rx Enrollment Check-Up:

- **Cost**
  - Will your premium and costs change in 2017?

- **Coverage**
  - Will you need more comprehensive coverage?
  - Will your current meds be covered by your plan?
  - Now that donut hole is partially covered, is switching a better option?

- **Customer Service**
  - Are you satisfied with your service from your current plan?
- Total of 31 prescription plans offered
- Cheapest premium starts at $14.60
- 10 Medicare advantage plans
  - Lowest premiums, but have only a few brands covered
- All Medicare patients are eligible for a Medicare advantage plan
Formulary system
- Each plan selects certain drugs from each drug class that they will cover
- May have a tier system
  - May have up to 5 tiers
  - **Generic** drugs = cheapest (ex: $5)
  - **Preferred brand names** = more expensive (ex: $28)
  - **Non-preferred brand names** = most expensive (ex: $40)
  - Certain injectable and specialty drugs = highest tiers (ex: $58)
Drugs Not Covered Under Most Part D Formularies

- Non-FDA approved drugs
- Weight loss or gain
- Erectile dysfunction
- Drugs for cosmetic purposes (hair growth)

- Non prescription drugs
- Cough & cold relief
- Fertility drugs
- Prescription vitamins, minerals
  - Except prenatal vitamins and fluoride preparations
Generics: required to be covered by ALL plans
- Chemically identical to brand-name drugs and meet the same standards put forth by the FDA for: Safety, Purity, Effectiveness
- Generic drugs can be legally produced in the US if a patent has expired, or for drugs which have never been patented

Prior authorization: may be needed for some medications
- Appeal process mandated by insurance company which includes paperwork by the Doctor explaining why you need the drug

Step Therapy: may be required before certain medications will be covered
- ex: Motrin before Celebrex

Quantity limits: may be enforced
- 30 day quantities retail vs. 90 day mail-order
  - Some plans DO allow 90 day quantities of maintenance medicines at community pharmacies.
Frequently Asked Questions

The More I Think
The More Confused I Get
Who pays for my vaccines?

- Medicare part D must cover all vaccines not covered by part B
  - Ex: Zostavax (Shingles vaccine)

- **Vaccines covered by part B**
  - Pneumococcal
  - Influenza
  - Hepatitis B
  - Vaccines necessary to treat a disease or prevent one after direct exposure
    - Ex: tetanus
Ways to Lower Your Drug Costs During the Coverage Gap

- Ask your doctor about generic and less expensive brand name drugs (therapeutic substitutions)
  - Cheaper in the gap
  - Less likely to hit the gap if avoid brand name medications from the beginning!
- Ask your doctor for samples
- Pharmaceutical Assistance Programs
  - Available from the pharmaceutical manufacturers
  - Contact the Partnership for Prescription Assistance
    - 1-888-477-2669
Ways to Lower Your Drug Costs During the Coverage Gap

- State Pharmaceutical Assistance Programs
  - RIPAE
    - Based on your income, RIPAE will help cover drug cost during coverage gap
    - Talk to SHIP counselor

- Apply for Extra Help
  - If you have limited income and resources, you may qualify for extra help
  - For more information go to www.socialsecurity.gov or call 1-800-772-1213
What About My Tricare, VA, Pension Benefits?

- They are creditable coverage letters have been sent in mail!
- Hold on to these letters!
- Contact your pension benefits manager or union if you have any questions
What if I Like A Plan & One of My Drugs is Not Covered?

- **Options:**
  - *Ask your pharmacist about therapeutic substitution*
  - Compare prescription vs. over-the-counter (OTC) options
    - Celebrex $103.86
    - Motrin OTC $10.99
    - Ibuprofen Rx - lowest cost or co-pay

- *Always consult with your doctor regarding changes to your medications*
The vast majority of your health care providers are committed to providing you with high quality care...

However, there are some individuals who cheat the system out of millions of dollars, which results in higher premiums for its members.

- Be very cautious when dealing with your Medicare information, & never share it unless you are absolutely certain that they need it.
- **Never share your Medicare information over the phone** with someone else!
  - Especially if you did not call them.
Important Dates to Remember

October 15- Open Enrollment Begins
December 7- Open Enrollment Ends
January 1, 2017- Coverage Begins
In summary....

- No single plan is best for everyone
  - You must pick the plan that’s right for YOU!
  - Make sure to enroll between Oct 15 – Dec 7th, 2016

- Yes, it is confusing! Don’t be afraid to ask for help:
  - The Point!!!  (401) 462-4444
  - SHIP counselors at your local Senior Center
  - Dept. of Elderly affairs (401) 462-4000
  - Ask a relative or friend to help you navigate the Web
  - Social Security Administration 1-800-772-1213
  - Pharmacy Outreach Program 1-800-215-9001
    - [www.uri.edu/pharmacy/outreach](http://www.uri.edu/pharmacy/outreach)
THANK YOU!

MEDICARE DRUG BENEFIT PLAN

SIDE EFFECTS CAN CAUSE DIZZINESS, NAUSEA, AND TOTAL CONFUSION.