

2023 Medicare Part D Prescription Drug Coverage Phase Tip Sheet

Medicare Part D Premium	You pay: Monthly premium for Medicare Part D plan PLUS income based fee
Sign Up Delay Penalty	You pay: 1% of your Part D Premium for each month delay in signing up after age 65 (<i>unless postponed due to other prescription coverage</i>)
Stage 1: Annual Deductible <i>January 1st each year</i>	You pay: 100% of the cost of your medications up to your deductible amount. <ul style="list-style-type: none"> - deductible varies between \$0 and \$505, but cannot exceed \$505 - Stage 2: Initial Coverage begins after deductible is paid - deductible usually excludes Tier 1 medications
Stage 2: Initial Coverage	You pay: Balance of deductible if not met then a copay (or coinsurance %) for each medication based on drug Tier <ul style="list-style-type: none"> - Stage 3: Coverage Gap begins after your out of pocket costs reach \$4,660
Stage 3: Coverage Gap <i>Donut Hole</i>	You pay: 25% of the cost of each of your medications (brand or generic) and Medicare Part D plan pays 75% of the cost of each of your medications <ul style="list-style-type: none"> - Stage 4: Catastrophic Coverage begins after your out of pocket costs reach \$7,400
Stage 4: Catastrophic Coverage	You pay: For the rest of the calendar year, <u>the greater of</u> : <ul style="list-style-type: none"> - 5% cost of each medication - \$3.95 for each generic medication - \$9.85 for all other medications
Medicare Part D Plans are annual plans; you start with Stage 1 every January	

More Tips:

- Research **Medicare Part D / Medicare Advantage** plans annually during Open Enrollment for best coverage of your medications www.medicare.gov
 - o Open Enrollment is usually mid-October – mid-December
 - o Meet with local **SHINE** (Serving the Health Information Needs of Everyone) Counselor for assistance; 1-AGE-INFO (1-800-243-4636)
- Avoid **Medicare Part D** Sign Up Delay Penalty (*1% additional cost to premium for every month delayed*)
 - o Sign up for Medicare Part D plan when eligible even if medication costs are low
 - o Consider a \$0 premium plan if on few medications or costs are low
- Enroll in **Prescription Advantage** (MA state-sponsored **secondary coverage** Rx drug assistance for seniors & people with disabilities) 1-800-243-4696; www.prescriptionadvantagemma.org
 - o No enrollment fee for most (\$200 fee for higher income individuals/couples)
 - o Supplements prescription drug benefits for medications covered by Medicare Part D or creditable coverage plans **based on income and out-of-pocket threshold met**
 - o ≥ 65 yo, eligible for Medicare, and meet income guidelines
 - o < 65 yo, work no more than 40 hrs/mo, meet MassHealth’s CommonHealth disability/ income guidelines
- **Part D Senior Savings Model – Insulin Savings**
 - o Some Medicare Part D Prescription plans participate in insulin program at reduced cost
 - o Cost of insulin during Stages 1 – 3 is \$35; during Stage 4 is %5 cost of insulin