

MEDICARE PART D ~ Prescription Drug Plan (PDP)



“PRESCRIPTION DRUG COVERAGE”

Two Basic Types of Part D Rx Plans:

- 1) the “STANDARD” plan (See Chart below), and
- 2) the “CO-PAY” type plans.

2015 “STANDARD” Drug Benefit	Part D Pays	You Pay
First \$320 of drug costs	0	\$320 - Annual Deductible
Drug costs between \$320 - \$2,960	75%	25%
Drug costs between \$2,960 - \$8,000+/- <i>This is the Coverage Gap or “Donut Hole”</i>	35% of Generics, and 55% Disc & Coverg on covered Brand-names	65% of the cost of Generic drugs 45% of most brand name drugs (up to \$4,700 “true out-of-pocket”)
⊙ Medicare will gradually cover more of the cost of drugs in the coverage gap each year until 2020 when they will pay 75%.		
Drug costs <u>over</u> approx. \$8,000 each yr	95%	5% (or \$2.65 / \$6.60) in the “Catastrophic” phase
Part D Premium from \$15. ⁷⁰ up to \$145. ⁷⁰ in California, based on Coverage & Part D plan carrier.		
⊙ Those who are paying more for their Part B premiums, because of income guidelines, can also expect to pay more per month for their Part D coverage than the advertised premiums.		

“CO-PAY” PLANS offer different costs, or “co-payments,” for drugs that are divided into various **Tiers** within their **Formulary List**. Some of these plans have no deductible and include coverage within the “Coverage Gap” (or “Donut Hole.”) ☞ **Most Part D plans are “Co-Pay” type plans.**

☺ **Know the Plan’s “FORMULARY LIST”** (i.e. -List of covered drugs)

- ◆ It is important to **find out IF and HOW** the provider and plan you are considering intends to cover your medications before enrolling with them, **especially for “Co-Pay” plans.**
- ◆ **Look at the “TIERS” - What are the “Co-Pays” for your Medications?**
Each Part D plan has divided up most covered prescriptions into different “Tiers” within the Formulary list. The Tier level your drug falls into determines the “Co-Pay” amount you pay.
- ◆ **Most plans’ drugs are divided up into four or more Tier groups.** The most common Tiers are:
T1 Preferred & T2 Non-Pref. Generics T3 Preferred & T4 Non-Pref. Brands . T5 Specialty
 - ☞ Each PDP Provider may offer more than one Prescription plan and each plan can have its own separate Formulary list, with different Tiers, coverage and co-pays for prescription drugs.
 - ☞ Watch for “Quantity limits” => You may wind up paying full price for quantities that exceed limits imposed by the Part D provider, even when your doctor approves them.
- ◆ Some plans feature “Preferred Pharmacies” and offer lower co-pays when you use them.
- ◆ **What if a prescription you are taking is not listed in the Formulary list?**
You, and your doctor, can request an “EXCEPTION” and, if approved, can have it added to your plan’s coverage. You can also ask for “Quantity Limits” to be increased, and for higher Tiered Drugs to be reconsidered for a lower Tier level co-pay. *Step-Therapy may be required.
 - ☞ If your request for an Exception is denied initially, you can Appeal to the plan and then to Medicare.