

Medicare Prescription Drug Coverage (Part D)

Information for People on Medicare who do not have Medical Assistance

Work Incentives Connection Fact Sheet #16

January 2020

How does it work?

To receive Medicare Part D coverage you must enroll in a Prescription Drug Plan. You will then receive your medications through one of the pharmacies that have a contract with the Prescription Drug Plan you choose.

Which medications are covered?

Prescription Drug Plans have different formularies or lists of the medications they cover. If a Plan wants to change the medications they cover, they must give you 60 days notice. You can ask for an exception and appeal the Plan's decision if you don't agree with it.

Medicare Part D does not cover the following medications: benzodiazepines (some of the anti-seizure, anti-spasm, anti-anxiety medications); barbiturates; certain vitamins, minerals, or over-the-counter drugs; or certain drugs used to treat coughs or colds or to promote weight gain. You will have to pay out of your own pocket, unless you also have Medical Assistance or other insurance that covers them.

Choosing a Plan—what do I need to do?

For assistance in choosing a Prescription Drug Plan:

- Call Disability HUB MN at 1-866-333-2466 (TTY 1-800-627-3529).
- Consult Medicare website: www.Medicare.gov.
- Review your 2020 "Medicare and You Handbook".
- Call Medicare at 1-800-633-4227 or TTY: 1-877-486-2048

Before you call or go on-line to get information about Prescription Drug Plans:

- Make a list of your medications, including: the name of each medication; dosage; how often you take it;

whether you take it orally or by injection; and how much it costs under your current plan.

- Have your Medicare card in front of you.

Things to consider in choosing a Medicare Prescription Drug Plan:

- Does the Plan cover the medications I need?
- Can I use the pharmacy of my choice?
- If I need a special medication, what is the Plan's policy regarding exceptions and appeals?
- What will the Medicare Part D plan cost me?

When do I need to enroll?

If you do not enroll in a Medicare Part D when you become eligible, you may have to pay higher premiums if you need coverage later on. If you are newly eligible for Medicare, you have a 7-month period to enroll in a Medicare Part D (3 months before you become eligible for Medicare, the month you become eligible and 3 months afterwards).

If you were eligible for Medicare in 2019 and did not enroll in a Medicare Part D plan by 12/7/19, you may have to wait until 10/15/20 before you can enroll. Your coverage won't be effective until January 2021. Certain exceptions apply, so contact Medicare to check on the next enrollment period available to you.

What will it cost in 2020?

Amounts vary, depending on your plan, your income, and your drug costs.

What about the Coverage Gap? (also known as "the donut hole"):

The federal Health Care Reform Act of 2010 included a provision which gradually closes the coverage gap or

“donut hole”. If you are an individual who already receives “extra help” with your prescription costs from Social Security, you do not pay for medications in the coverage gap so these new provisions do not apply to you.

As of 2020, you will be in the coverage gap once the “total cost” of your medications is **over \$4,020**. You exit the coverage gap (or “donut hole”) once you have spent a maximum of \$6,350 in the calendar year. In the gap, you will pay no more than **25% for generic** drugs and Medicare will pay the balance. You will receive a **75% discount** from your pharmacy if you need **brand name** prescription drugs. **(This 75% discount will help those who are unable to take the generic or rely on medications for which no generic is available.)**

Extra help with Medicare Part D Program costs:

You may be eligible for assistance with the costs of Medicare Part D coverage. If you have not already filled out an application for extra help with the costs, you can get one by contacting the Social Security Administration at 1-800-772-1213 (TTY: 1-800-325-0778) or online at: www.socialsecurity.gov/prescriptionhelp Certain types of income and assets are not counted in determining if you are eligible for extra help. If you are not sure, go ahead and apply!

Apply for extra help and sign up for a plan

If you complete the application for extra help with costs, you still need to sign up for a Prescription Drug Plan. **You are not signed up for Medicare Part D until you enroll in a Prescription Drug Plan.** You can only change plans once a year, from October 15th through December 7th.

If you have other insurance that covers Prescription Drugs...

You should be notified by your employer, former employer, union, health plan or Medicare supplemental insurance company as to whether or not your insurance is “creditable”, meaning that it is at least as good as Medicare’s prescription drug coverage.

If you do have “creditable” coverage:

You can choose to continue receiving your prescription drug coverage through your other insurance, instead of signing up for Medicare Part D coverage. If you want to sign up for Part D coverage later, you will not have to pay extra for your monthly premiums.

If your other insurance is not “creditable”:

If your insurance coverage is not creditable, you may choose to keep it, but you should also enroll in a Medicare Part D Plan. If you delay enrolling in Part D, you could be penalized later by having to pay a higher premium for late enrollment.

If you lose your “creditable” coverage:

You must sign up for Medicare Part D coverage within 63 days of when that “creditable” coverage ends or you will have to pay higher monthly premiums.

If you don’t receive notification as to whether or not your insurance is “creditable”:

Contact the people you went through to sign up for the plan (employer; former employer; union benefit plan; insurance company customer service or agent).

If you have questions:

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- Consult the Medicare web site, www.Medicare.gov.
- Call Medicare at 1-800-633-4227 (TTY: 1-877-486-2048)

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**For more information, call the Work Incentives Connection:
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