

Important things to know as I get older: Accessing  
Prescription Drugs  
under the Medicare System

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# Coverage Options Using Private Insurance Products

Option 1

Medicare Part A & B  
as primary coverage

Supplement  
(Medigap)

Part D  
Drug Plan

Non-Medicare  
Services

Option 2

Medicare Part C  
(Managed Care Plan)  
as primary coverage

Can include:  
Part D coverage and  
Non-Medicare Services

still requires enrollment in  
Medicare Part A & B

# Medicare Part D

- Available since January 1, 2006 to provide coverage for prescription drug cost
- Voluntary Prescription Drug Benefit
- Available for Medicare Beneficiaries enrolled in “Basic” Medicare (Part A **or** Part B)
- Plans are provided by private insurance companies
- Plans must be CMS approved and meet or exceed Medicare Guidelines

# Enrolling in a Part D plan

- During *initial enrollment* period
- During *annual open enrollment* period
  - October 15 – December 7 each year
  - Coverage begins January 1
- During *special enrollment* situations

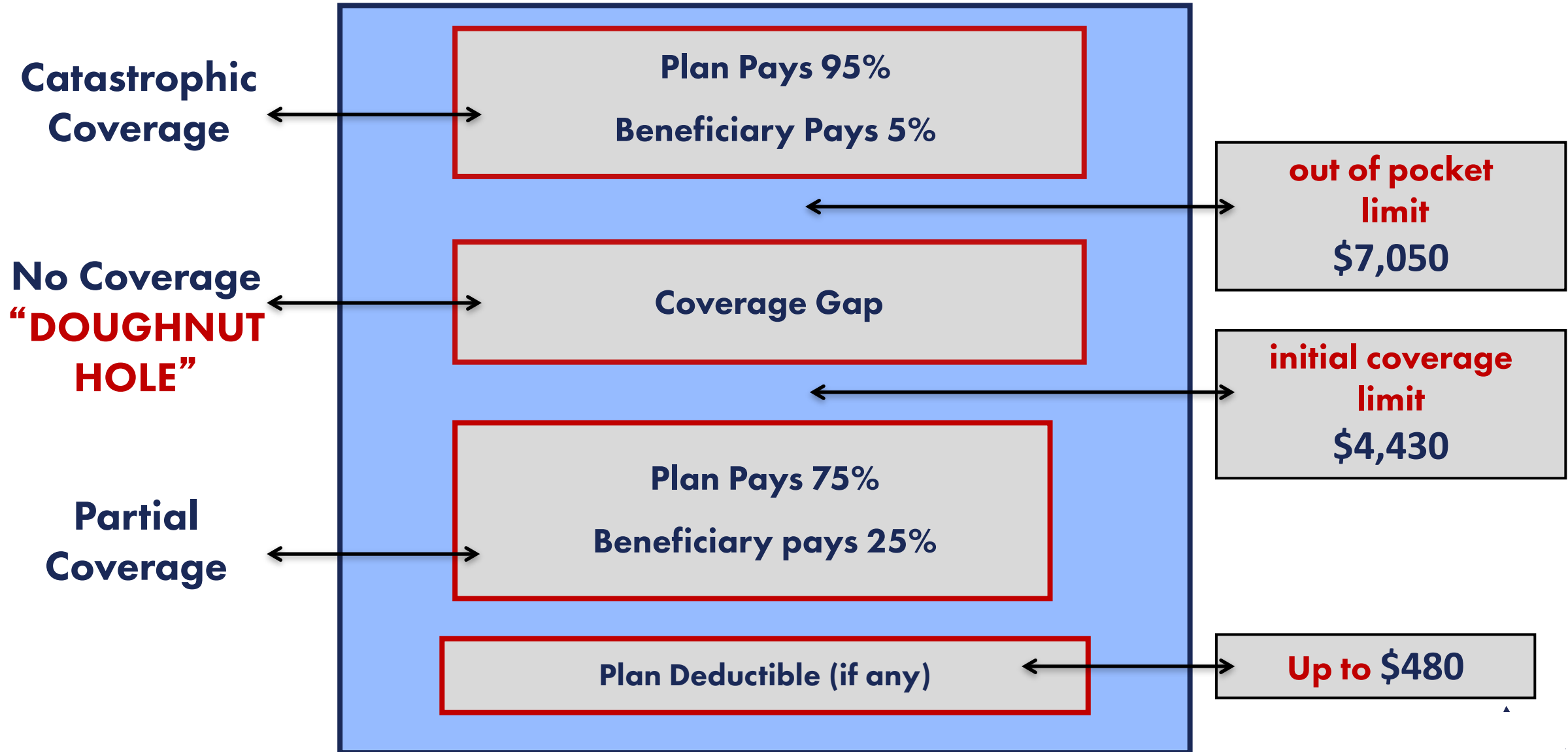
# Part D Plan Formulary

the list of prescription drugs covered by the plan

Part D plans have “tiers” that have different sharing amounts  
Example of Tiers (Plans can form tiers in different ways)

<b>Tier</b>	<b>You Pay</b>	<b>Prescription Drugs Covered</b>
<b>1</b>	Lowest copayment	Most generics
<b>2</b>	Medium copayment	Preferred, brand-name
<b>3</b>	Higher copayment	Non-preferred, brand-name
<b>Specialty</b>	Highest copayment or coinsurance	Unique, very high-cost

# MEDICARE PRESCRIPTION DRUG PLAN (2022)



## Coverage while in the Donut Hole

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### Part of 2010 Affordable Care Act

- **75% coverage** for plan covered **non-generic** drugs
- **75% coverage** for plan covered **generic** drugs
- Beneficiary pays **25%**  
for plan covered generic and non-generic drugs

Monthly Premium **\$62.70** / Deductible **\$480.00**

Using Preferred Pharmacy	Retail cost	Your Monthly Cost before deductible	Your Monthly Cost after deductible	Your Monthly Cost in coverage gap	Your Monthly Cost after coverage gap
<b>Humulin</b> diabetes	\$49.60	\$4.00	\$4.00	\$12.40	\$3.95
<b>Metformin</b> pre-diabetes	\$6.25	\$4.00	\$4.00	\$1.56	\$3.95
<b>Trulicity</b> lower blood sugar	\$998.03	\$998.03	\$42.00	\$249.51	\$49.90
<b>Lyrica</b> nerve damage-diabetes	\$429.09	\$429.09	\$42.00	\$107.24	\$21.45
<b>Amlodipine</b> high blood pressure	\$5.65	\$4.00	\$4.00	\$1.41	\$3.95
<b>Benazepril</b> high blood pressure	\$5.65	\$4.00	\$4.00	\$1.41	\$3.95
<b>Chlorthalidone</b> water retention	\$15.42	\$4.00	\$4.00	\$3.86	\$3.95
<b>Metoprolol</b> hbp/angina	\$6.25	\$4.00	\$4.00	\$1.56	\$3.95
<b>Xarelto</b> blood thinner	\$565.45	\$565.45	\$42.00	\$141.36	\$28.27
<b>Allopurinol</b> uric acid - gout	\$10.45	\$4.00	\$4.00	\$2.61	\$3.95
<b>Colcrys</b> pain from gout	\$769.76	\$769.76	\$42.00	\$192.44	\$38.46
<b>Simvastatin</b> elevated cholesterol	\$5.65	\$4.00	\$4.00	\$1.41	\$3.95
<b>Pantoprazole</b> Gastro-reflux GERD	\$5.65	\$4.00	\$4.00	\$1.41	\$3.95
<b>Monthly totals</b>	<b>\$2,872.90</b>	<b>\$516.00</b>	<b>\$124.00</b>	<b>\$718.18</b>	<b>\$173.63</b>



**monthly premium \$43.30 / deductible \$480**

<b>Cancer medications (orally self-admin)</b>	<b>Monthly Retail Cost</b>	<b>Patient's Monthly Cost after Deductible (1<sup>st</sup> month of plan yr)</b>	<b>Patient's Monthly Cost Catastrophic Coverage (remaining months )</b>
<b>Zykadia - 2017</b> (lung)	\$7,931.60	\$2,316.05	\$396.58
<b>Xtandi - 2019</b> (prostate)	\$12,333.80	\$3,016.75	\$616.69
<b>Lenvima - 2018</b> (thyroid, liver, kidney)	\$20,966.30	\$3,448.36	\$1,048.32

**monthly premium \$90.50 / deductible \$0**

<b>MS medications (self-admin)</b>	<b>Monthly Retail Cost</b>	<b>Patient's Monthly Cost (1<sup>st</sup> month of plan yr)</b>	<b>Patient's Monthly Cost Catastrophic Coverage (remaining months )</b>
<b>Plegridy - 2014</b> injector pen	\$14,873.50	\$3,166.78	\$743.73
<b>Rebif - 2002</b> prefilled syringe	\$8,993.44	\$2,662.76	\$449.67
<b>Avonex - 2002</b> injector kit	\$7,041.63	\$2,162.70	\$352.08

# Plans “manage” access to drugs by:

- Formularies (list of covered drugs)
- Prior authorization (doctor contacts plan)
- Step therapy (type of prior authorization)
- Quantity limits (limits quantity for time period)