

Mysteries of Medicare: Do I Need Medicare Part D?

The Chester County Department of Aging, through its PA MEDI program of trained Medicare counselors, helps Medicare beneficiaries to understand Medicare, related programs and insurance plans.

PA MEDI counselors are frequently asked whether it is necessary to buy a Part D plan. The short answer is that it is not required, but it is almost always to your advantage to get a Medicare Part D plan or other creditable coverage when you are first eligible, meaning in your Initial Enrollment Period, or in a Special Enrollment Period.

What is Part D? Medicare Part D is prescription drug coverage is offered to everyone with Medicare. The purpose of these plans is to help you pay for your prescriptions. Premiums, co-pays, and what drugs are covered (formularies) vary from plan to plan, but all must meet basic requirements set out by Medicare. This drug coverage is generally built into Medicare Advantage plans, and there are also plans without the medical component.

I don't take any drugs, or only inexpensive drugs. Why should I pay for a plan?

There are two reasons:

- 1) Your situation may change so that you need to start taking prescription drugs or need more expensive drugs. Most people can only sign up for a plan when they first get Medicare Parts A and B, or during Annual Enrollment, from October 15th to December 7th. So, if your doctor wants you to go on a new medication in January, you may not be able to get any coverage until the end of the year.
- 2) There is a penalty if you don't join a plan when first eligible. That penalty is 1% of the "national base beneficiary premium" for each full month when you were eligible but did not have creditable coverage. This penalty sticks with you as long as you have Part D, and will change when the base premium changes.

Ouch! This can get expensive. How can I avoid the penalty and the risk of not having coverage when I need it?

- 1) Get coverage during your Initial Enrollment Period, which starts the third month before the month of your 65th birthday and ends the third month after your birth month.
- 2) If you have employer or union-based coverage, you have a Special Enrollment Period of 2 months after that coverage ends.
- 3) Don't go more than 63 days without a Part D plan or other creditable coverage. Examples of creditable coverage include retiree plans from a former employer or union, Pennsylvania's PACE program for seniors with low incomes, and VA drug coverage. If you have one of these and lose it, you have 2 months to get a new plan without penalty.
- 4) If you qualify for assistance through Extra Help or Medicaid, you can join a drug plan without penalty at any time.

If you have questions or want assistance in evaluating your situation, contact PA MEDI. PA MEDI counseling is free, unbiased, personal, informative and confidential. Counselors often find ways to help beneficiaries save money on prescriptions and premiums. If you have questions, or need additional clarification, on **any** Medicare situation, call PA MEDI at the Chester County Department of Aging, 610-344-5004, option 2. Leave your name, your contact information and a message. A PA MEDI counselor will return your call within 24 hours, usually within one business day. You can also contact us by email at smilam@chesco.org.