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## How Medicare Prescription Drug Coverage Works with a Medicare Advantage Plan or Medicare Cost Plan

Medicare offers prescription drug coverage for everyone with Medicare. This coverage is called “Part D.” To get Medicare drug coverage, you must join a Medicare Prescription Drug Plan. There are 2 ways to get Medicare prescription drug coverage:

1. Join a Medicare drug plan. These plans (sometimes called “PDPs”) add coverage to Original Medicare, and can be **added** to a Medicare Cost Plan, a Medical Savings Account (MSA) Plan, and to some Medicare Private Fee-for-Service (PFFS) Plans.
2. Join a Medicare Advantage Plan (like an HMO or PPO) or another Medicare health plan (like a Medicare Cost Plan or PFFS plan) that **includes** prescription drug coverage. Medicare Advantage plans that include prescription drug coverage are sometimes called “MA-PDs.” **You’ll get all of your Medicare coverage including Part A (Hospital Insurance), Part B (Medical Insurance), and Part D (prescription drug coverage), through these plans.**

Medicare drug plans are run by insurance companies and other private companies approved by Medicare. Each plan can vary in cost and drugs covered. If you decide not to join a Medicare drug plan when you’re first eligible, you may pay a late enrollment penalty if you choose to join later.

## Medicare Advantage Plans include:

- **Medicare Preferred Provider Organization (PPO) Plans**—You pay less for using plan network providers.
- **Medicare Health Maintenance Organization (HMO) Plans**—You must use network providers for non-emergency care.
- **Medicare Private Fee-for-Service (PFFS) Plans**—You can go to any provider who agrees to treat you.
- **Medicare Medical Savings Account (MSA) Plans**—Money is placed in an account to use for health care before meeting the deductible in a high-deductible plan.
- **Medicare Special Needs Plans (SNP)**—These plans always include Part D coverage, and you can only enroll if you're a member of the "special needs" population that the plan serves.

If you have prescription drug coverage from a Medicare plan, your benefits may change each year.

- The plan will send you an "Evidence of Coverage" each year. This document tells you what benefits the plan will cover, how much you'll pay, how to file an appeal, and more.
- The plan will also send you an "Annual Notice of Change" each fall. This notice has information about any changes in benefits, costs, or service area that will be effective January of the next year. If the plan covers prescription drugs, the notice will include changes to the formulary of drugs the plan will offer next year. You should review this notice carefully to learn about changes for the upcoming year to decide if you want to look at other plans in your area.

## What else do I need to know?

- If you're in a Medicare Advantage Plan, you'll usually get your Medicare prescription drug coverage from your plan. In most Medicare Advantage Plans, if you want drug coverage and your plan offers it, you must get it from your Medicare Advantage Plan.
- Only some Medicare PFFS Plans offer Medicare prescription drug coverage. If your Medicare PFFS Plan doesn't offer Medicare drug coverage, you can join a Medicare Prescription Drug Plan to add coverage.
- Medicare MSA Plans don't cover prescription drugs. If you have a Medicare MSA Plan, you can join a Medicare Prescription Drug Plan to get this coverage.

## What do I need to know? (continued)

- If you're in a Medicare Cost Plan that offers Medicare prescription drug coverage, you can still join a separate Medicare Prescription Drug Plan. You'll need to decide if you want to get your Medicare prescription drug coverage from the Medicare Cost Plan or from a separate Medicare Prescription Drug Plan.

## Other important information

- You can look at other Medicare coverage choices, like returning to Original Medicare and adding prescription drug coverage.
- Everyone with Medicare has a chance to join, switch, or drop plans from October 15–December 7 each year. Your coverage will start January 1 of the next year.
- If you have limited income and resources, you may qualify for Extra Help paying your Medicare prescription drug costs. For more information on who can get Extra Help with Medicare prescription drug costs and how to apply, visit [socialsecurity.gov](https://www.socialsecurity.gov) or call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.

## How can I get more information?

For more information about your choices, you can:

- Contact your plan.
- Visit [Medicare.gov/find-a-plan](https://www.Medicare.gov/find-a-plan) to find and compare plans in your area.
- Call 1-800-MEDICARE (1-800-633-4227) to get information about the Medicare plans available in your area. TTY users should call 1-877-486-2048.
- Look at your “Medicare & You” handbook to compare plans in your area.

