

# PRESCRIPTION DRUG PLANS

Answering Client Questions



**Ready-Agent™**  
A PROGRAM BY NEISHLOSS AND FLEMING

**NEISHLOSS &  
FLEMING, LLC**

AN INTEGRITY COMPANY

# Prescription Drug Plans: Answering Client Questions

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## Why Should I Get a PDP in Addition to My Medicare Supplement Coverage?

- Medicare Supplements do not offer any type of prescription drug coverage. If your client is on any prescription drugs, and they do not get some type of coverage through a Part D plan, they will be paying retail cost.
- Also, if a beneficiary goes for a period of time without any credible drug coverage, they could potentially be subject to a premium penalty fee when they get drug coverage in the future.

## When Can I Enroll into a Prescription Drug Plan?

Clients can enroll into a Part D plan anytime they have an election period:

- AEP
- IEP
- ICEP/ICEP1
- SEP

Can I change plans?

Yes, clients who are enrolled in a Part D plan, have the option to change their plans on a yearly basis during AEP. Or, if they qualify for a SEP, they will also have a chance to change their plan at that time.

## Will My Plan Ever Change?

- Carriers who provide Part D plans will review and have the chance to adjust plan benefits every year.
- Clients will be notified of any changes through the Annual Notice of Change (ANOC) package.
- At that point, clients have the option to use the Annual Enrollment Period to change plans if they choose to do so.
- Carriers cannot make any downgrading plan changes during the calendar year once the benefits have been filed.
- They can upgrade any benefits during the calendar year.

## Common Questions

### Will My Prescription Drugs be Covered?

- As the agent, you will want to be sure you know all of the drugs your client is taking, and check each plan's formulary to make sure they will have coverage.

### How much will I pay at the pharmacy?

- Using each plan's formulary, you will be able to see what tier level each drug falls into. From that tier level, you can determine what the cost of the prescription will be at the pharmacy.

## What is the Donut Hole?

Explain to your clients that they will hit the coverage gap, known as the “Donut Hole,” when their yearly drug costs have reached \$4,020 (in 2020).

At that time, they will typically pay 25% of the costs for generic drugs and 25% for brand name drugs – unless the plan is designed to give enhanced coverage in the Donut Hole.

## Conclusion:

When helping a client sign up for prescription drug coverage, it is important to know what kind of plan will best fit their needs.

By addressing their current need for coverage and potential future coverage, it will be easy for you to make the right decision of which plan makes the most sense.