

Mysteries of Medicare: Medicare Annual Open Enrollment - Do I Need Medicare Part D?

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

APPRISE counselors are frequently asked whether it's necessary to buy a Part D plan. The short answer is that it's 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 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 15 to December 7**. 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 next 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 2 full months 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.
- 5) If you have a penalty, evaluate if you should let it get any larger or enroll in a plan.

If you have questions or want assistance in evaluating your situation, contact APPRISE. This Department of Aging Program counseling is free, unbiased, personal, informative and confidential. Counselors often find ways to help beneficiaries save money on prescriptions and premiums. **We are now in the Annual Open Enrollment Period October 15 - December 7, 2019.** Do not let the AOEP pass without an evaluation of your Medicare Advantage Plan or your Part D Plan. The counseling sessions are by appointment at area senior centers, libraries, some township buildings, or other local sites. To schedule an appointment during this enrollment period (or for help throughout the year) call your local senior center or for other AOEP locations please call 610-344-5234 during the Annual Open Enrollment October 15 – December 7, 2019.