

**URL:** [www.libertymedicare.com](http://www.libertymedicare.com) **Phone:** 877-657-7477 **Email:** [info@libertymedicare.com](mailto:info@libertymedicare.com)

# **ALL ABOUT MEDICARE – 2026**

## **Medicare Prescription Drug Plans**

---

**Gregory Lazarev, President**

# Contents

<b>What are Medicare Prescription Drug Plans? .....</b>	<b>3</b>
<b>Who is eligible for the Medicare Prescription Drug Plan? .....</b>	<b>4</b>
<b>Four Stages in Medicare Part D Coverage.....</b>	<b>5</b>
<b>Do you need to register for a Prescription Drug Plan (Part D)?.....</b>	<b>7</b>
<b>When to register with Medicare Prescription Drug Plan?.....</b>	<b>8</b>
<b>Do you need to change your Prescription Drug Plan? .....</b>	<b>10</b>
<b>Extra Help Program (LIS) .....</b>	<b>11</b>
<b>State Pharmaceutical Assistance Programs (SPAPs) .....</b>	<b>13</b>
<b>About Us – Liberty Medicare .....</b>	<b>15</b>

# What are Medicare Prescription Drug Plans?



## Medicare Prescription Drug Plans (PDPs)

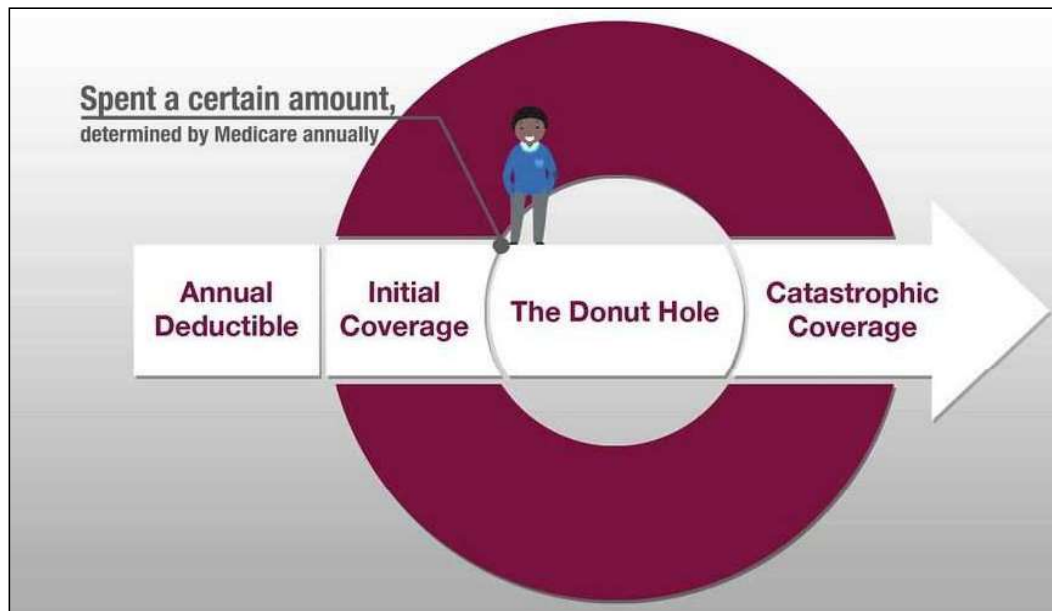
- **Medicare Prescription Drug Plans (Medicare Part D)** cover, with some exceptions, most prescription drugs, both generic and brand names.
- PDP coverage is not standardized. All plans should provide a **standard level of coverage** set by Medicare but may differ in **price** and the **list of covered drugs (Formulary)**.
- Plans differ in **premiums, deductibles, and copayments**.
- The plan is free to choose covered drugs, but each must have at least TWO drugs in each category.
- There are **two types** of Medicare Prescription Drug Plans:
  - ✚ **Standalone Prescription Drug Plans (PDPs)** for people with **Original Medicare**. Private insurance companies approved by Medicare offer these plans.
  - ✚ **Medicare Advantage Plans with Prescription Drug Coverage (MAPD)**.

# Who is eligible for the Medicare Prescription Drug Plan?

---

- You must have Medicare **Part A** OR Medicare **Part B**
- You must live in a geographic area with plan coverage

# Four Stages in Medicare Part D Coverage



## Stage 1

**Annual Deductible Stage** – you pay 100% before the plan begins to pay its share for the prescription drugs

- The amount you will have to pay is known as **deductible**.
- Standard Part D deductible - **\$615**
- Some plans do not have deductibles.

## Stage 2

**Initial Coverage Stage** - you and your plan, pay for prescription drugs

- You pay **copay** or **coinsurance**, and the plan pays the rest. Typical coinsurance - 25%, i.e. you pay 25% of the cost of prescription drugs.
- The initial coverage continues until **you reach \$2,100 out-of-pocket cap**.

## Stage 3

**Coverage Gap** or **Donut Hole Stage** was eliminated starting from the year 2025

## Stage 4

A **\$2,100 cap** on out-of-pocket spending for covered Part D drugs. Once you reach this amount, you'll automatically qualify for **Catastrophic Coverage Stage** and won't pay more out-of-pocket for the rest of the year for formulary drugs.

# Do you need to register for a Prescription Drug Plan (Part D)?

---

- **Always enroll in a Part D plan** if you do not have other ***Creditable Prescription Drug coverage***.
- If you did not register with Part D when you turned 65 and have been without creditable coverage for **63 days or more**, you will have to pay a penalty if you decide to join Part D. later.



- **Penalty** - 1% of the average monthly premium for each month of delay. You will have constantly while you have Part D.

# When to register with Medicare Prescription Drug Plan?

You can only sign up for a plan or change one Medicare Prescription Drug plan to another **only** during one of the **Medicare Part D registration periods**.

People with **Medicare and Medicaid**, or people who have the right to **Extra Help**, are exception to this rule. They can change plans once a quarter.

## Initial Enrollment Period

- **Initial Enrollment Period or IEP** — A 7-month period that begins 3 months before you turn 65, or, in the event of a disability, 3 months before your 25th month of disability. It is used to register with Medicare Part D and includes 7 months adjacent to the 65th anniversary, i.e., 3 months before, month of the 65th anniversary, and 3 months after.

## Open Enrollment Period or Annual Election Period (AEP)





- **The Open Enrollment Period or Annual Election Period (AEP)** occurs annually between October 15 and December 7. Coverage begins on January 1 of next year. You can now add the Prescription Drug plan, change it to another plan, or cancel it. You can register several times during the AEP; the last registration period becomes decisive.



## Special Enrollment Period (SEP)

- **The Special Enrollment Period or SEP** allows you to change your coverage **outside** of the normal Enrollment Periods.

SEP Examples:

-  you left the geographic coverage area of the plan
-  you have lost health insurance from your employer
-  you are entitled to an Extra Help program
-  you have Medicare and Medicaid

## Medicare Advantage Open Enrollment Period (MA OEP)

- **The Medicare Advantage Open Enrollment Period (MA OEP)** is open for people with the Medicare Advantage Plan. It occurs annually between January 1 and March 31 and allows you to change your Medicare Advantage plan to another Medicare Advantage plan or **return to Original Medicare**, supplementing it with a **standalone Medicare Prescription Drug plan**.

# Do you need to change your Prescription Drug Plan?

---

Once you have chosen your medication plan, most people do not change it in subsequent years. And this is **a serious mistake**. It is very likely that the plan that once was the best for you is no longer a plan because of the high prices for medicines in the plan.

The following questions will help you choose your Prescription Drug plan:

- What is the cost of the plan (**premium, deductibles, and copayments**)?
- Are all your medicines in a plan's **formulary**? At what **tier** are they?
- Is your pharmacy on the plan network? Is it the preferred or standard pharmacy?
- Does your plan include mail ordering for drugs? What is its cost compared to retail?

**The difference in total cost** between different PDP plans and even between different pharmacies for the same plan can be **HUGE** - up to several thousand dollars a year.

Therefore, **take your plan seriously and constantly review it during the Annual Election Period (AEP)**.

# Extra Help Program (LIS)



**Medicare Extra Help (or Low Income Subsidy (LIS))** is a federal program that helps reduce your drug costs.

You are automatically qualified for Extra Help

- If you have full Medicaid
- If you are a member of one of the Medicare Savings Programs (MSP)
- If you get Supplemental Security Income (SSI)

If you are NOT automatically qualified, then in order to receive Extra Help, you must meet certain requirements for your **income and resources**.

## Full Extra Help

- **Income:** Income must be less than 150% of the Federal Poverty Level (FPL) - below \$23,475 (for a single) / \$31,725 (for a couple) per year.
- **Resources:** Resources should be less than \$16,590 (for single)/\$32,100 (for a couple)
- **Benefits**
  - No monthly premium. No annual deductible.
  - Copayments: **\$5.10 for generic drugs and \$12.65 for brand names.**
  - No late enrollment penalty.

## How to get Extra Help?

- To get Extra Help, contact the Social Security office.

## Extra Help and Special Enrollment Period (SEP)

- With Extra Help, you get a **Special Enrollment Period (SEP)** that allows you to add, change, or cancel a Medicare Advantage drug-covered plan or Part D plan. You can change these plans **once a quarter** (during the first 3 quarters).

•  
•  
•  
•  
•

# State Pharmaceutical Assistance Programs (SPAPs)

## State Pharmaceutical Assistance Programs (SPAPs)

You may be qualified for one of the State Pharmaceutical Assistance Programs (SPAPs). With SPAP, you have a **Special Enrollment Period (SEP)** that allows you to add, change, or cancel a Medicare Advantage plan that includes a Prescription Drug coverage or a standalone Prescription Drug plan. **You may do it once a year.**

Let's look at examples of these programs.

### **PACE /Pennsylvania**

**Income:** Annual income should be below \$14,500 (for one) / \$17,700 (for a couple).

**Benefits:** Help with a monthly premium. Copayments are \$6.00 for generic drugs and \$9.00 for brand names.

### **PACENET /Pennsylvania**

**Income:** Annual income should be below \$33,500 (for a single) / \$41,500 (for a couple).

**Benefits:** Help with Part D deductible. Copayments are \$8.00 for generic drugs and \$15.00 for brand names.

### **PAAD (New Jersey)**

**Income:** Annual income should be below \$53,446 (for a single) / \$60,690 (for a couple) - 2025.

**Benefits:** \$0 monthly premium for standard Part D plans with a cost below a certain level (\$56.86)—copayments \$5.00 for generic drugs and \$7.00 for brand names. Help with Part D deductible.

## **Senior Gold Prescription Discount Program (New Jersey)**

**Income:** Annual income should be between \$53,446 and \$63,446 (for a single) and between \$60,690 and \$70,690 (for a couple) - 2025

**Benefits:** \$15 copayment plus 50% of the remaining cost of each medicine

## **EPIC (New York)**

**Income:** Annual income should be between \$20,000 and \$75,000 (for a single) or between \$26,000 and \$100,000 (for a couple).

**Benefits:** EPIC pays monthly premiums of up to \$72.34 for people with income up to \$20,000 if single or \$26,000 if married. Members pay an annual fee to EPIC ranging from \$8 to \$300 based on their prior year's income. Copayment is between \$3 and \$20, depending on the cost of the medicine.



## About Us – Liberty

- **Liberty Medicare** is an independent insurance agency specializing in a **variety of Medicare plans** for people over 65, or for people under 65 who are on a disability. These plans include: **Medicare Supplement Plans (Medigap Plans), Medicare Advantage Plans, and Medicare Prescription Drug Plans.**
- Our services are offered in many US states, including six states in the Central Atlantic (**Pennsylvania, New Jersey, New York, Maryland, Virginia, and Delaware**) **Ohio**, and **Florida**.
- Our service for you is **ABSOLUTELY FREE**  
For independent insurance agencies like ours, insurance companies provide a commission whenever we register clients with one of their plans. Whether you apply to the insurance company or through us, **your premium will be EXACTLY SAME - the commission is always part of the premium.**
- We represent only **nationally famous insurance companies.**
- While you are our client, we present a LIFE COMMITMENT, including servicing your policy and suggestions for improving it. This is especially important at the end of the year during the **Annual Election Period**, when many senior citizens change their plans for the following year.

- **Medicare** is a complex and confusing subject. Choosing and maintaining a Medicare plan yourself can be very time consuming for you.
  - ✚ Instead of calling numerous insurance companies when you sit endlessly waiting for an answer, and after getting the answer constantly retell the same story, you can dial one number: **877-657-7477**. Our ten years of experience **will help you save time, money, and avoid future surprises and disappointments.**
- **Contact Us:**
  - ✚ **веб-сайт:** [www.libertymedicare.com](http://www.libertymedicare.com)
  - ✚ **e-mail:** [info@libertymedicare.com](mailto:info@libertymedicare.com)
  - ✚ **by phone:** **877.657.7477**