



University of Kentucky Retiree Prescription Benefit

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Know Your Rx Coalition, Director of Operations

Fall 2025

Questions?

- If you do not get a question in or the presentation does not answer a question you have by conclusion of the meeting, please send an email with your question to...

KYRX@uky.edu

UK Retiree Prescription Benefit

- Pre-65 (non-Medicare Retirees)
 - Early Retirees
 - Working Retirees
- Medicare Retirees
 - Medicare A and B Participants
 - No longer working (or ≤ 0.2 FTE)



Pre-65 & Non-Medicare Retiree Rx Benefit

- Prescription Benefit Plan provided for all health plans
 - (HMO, PPO, RHP, EPO, Indemnity, Saver HDHP)
- Same Rx Benefit as for Active Employees (use same Rx ID card as when active employee)
- Spouses/Dependents
 - covered under same ID number as retiree
- Administered by Express Scripts
 - UK direct access to enrollment



Medicare Retiree Rx Benefit

- UK Medicare PART D Prescription Drug Plan
- New ID card and ID numbers
- Medicare Covered Spouses have own ID card and unique ID numbers
- Administered by Express Scripts
CMS (Medicare) controls enrollment



UK Prescription Benefit (Active Employee vs Medicare Retiree)

ACTIVE EMPLOYEE and EARLY RETIREE (all plans other than Saver HDHP)	Retail (limit to 34-day supply)			Express Scripts Home Delivery or UK Pharmacy (35-90-day supply)		
	Coinsurance	Minimum	Maximum	Coinsurance	Minimum	Maximum
Tier 1 -Generic	20%	\$8	\$50	10%	\$24	\$100
Tier 2 -Formulary Brand	40%	\$20	\$60	30%	\$60	\$120
Tier 3 - Non-formulary Brand	50%	\$40	No Maximum	40%	\$120	No Maximum
Specialty Generic (limit to 30-day supply)	Limited to UK Phcy and Accredo In 30-day supplies			20%	\$8	\$50
Specialty Brand (limit to 30-day supply)				\$200		

MEDICARE RETIREE	Retail (per 30-day supply)			Express Scripts Home Delivery (31-90-day supply)		
	Coinsurance	Minimum	Maximum	Coinsurance	Minimum	Maximum
Tier 1 -Generic	20%	No Minimum	\$50	10%	\$24	\$100
Tier 2 - Formulary Brand	40%	\$20	\$60	30%	\$60	\$120
Tier 3 - Non-Preferred Drug (includes brand & generic)	50%	\$40	No Maximum	40%	\$120	No Maximum
Tier 4 – Non-Formulary Drug	NOT COVERED					
Specialty Drug (limit to 30 day supply)	Per above tiers, limited to 30-day supply					

UK Prescription Benefit (Active Employee vs Medicare Retiree)

Operational Differences	Active Employee/Early Retiree Plan	Medicare Rx
90 Day Supply Rx	UK or Express Scripts Mail order	UK, Walgreens, Express Scripts
Specialty Medications	UK or Accredo	Any Pharmacy
Healthcare Reform	\$0 Copays Preventive	N/A
PHARMA Copay Cards	Allowed	Excluded
UK Pharmacy 50% copay discount	Rxs ordered by UK prescribers	Excluded
Formulary	Open (Non-Formulary 50% coinsurance)	Closed (Non-Formulary = Not covered)

UK Prescription Benefit (Active Employee vs Medicare Retiree)

Coverage Differences	Active Employee/Early Retiree Plan	Medicare Rx
Diabetic Testing Supplies	Rx Benefit	Humana MA
Nebulizer Solution	Rx Benefit	Humana MA
Some Oral Anticancer	Rx Benefit	Humana MA
Flu, Pneumonia, Hepatitis, B COVID Vaccine	Rx or Medical	Humana MA
All other vaccines	Rx or Medical	Rx only
Vitamins & Minerals	Covered	Excluded
Cough and Cold	Covered	Excluded

UK Medicare Rx Benefit

Express Scripts Medicare (PDP) **Express Scripts Medicare™ (PDP)**
for the University of Kentucky



- This **IS** a Medicare Part D Plan
 - Do not enroll in a different Part D or different Medicare Advantage Plan
 - Subject to all CMS Medicare D Requirements

UK Medicare Part D (EGWP)

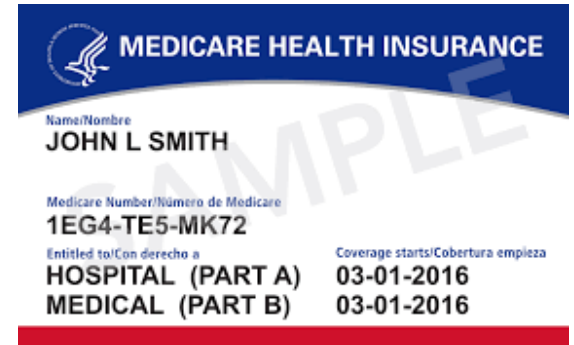
- **NO** Deductible
- No Coverage Gap (aka Donut Hole')
- **Once Catastrophic Coverage is reached, member cost is \$0**

TrOOP = "True" Out of Pocket

Medicare Part D – TrOOP

	Standard Medicare	UK Plan		
Deductible Phase	Cost Sharing : 100%	None		
	Deductible: \$615	No Deductible		
Initial Coverage Phase	<table border="1"> <tr> <td>Applicable Drugs Cost Sharing: 25% Plan Pays: 65% Manufacturer Discount: 10%</td> <td>Non-Applicable Drugs Cost Sharing: 25% Plan Pays: 75%</td> </tr> </table>	Applicable Drugs Cost Sharing: 25% Plan Pays: 65% Manufacturer Discount: 10%	Non-Applicable Drugs Cost Sharing: 25% Plan Pays: 75%	Generic: 20% (Max \$50) Formulary Brand: 40% (min \$20/Max \$60) Non-Preferred: 50% (no max)
Applicable Drugs Cost Sharing: 25% Plan Pays: 65% Manufacturer Discount: 10%	Non-Applicable Drugs Cost Sharing: 25% Plan Pays: 75%			
	Out of Pocket Threshold: \$2,100	Out of Pocket Threshold: \$2,100		
Catastrophic Phase	Member Cost: \$0	Member Cost: \$0		

- Sign up for Medicare Parts A and B within 3 months of 65th birthday
- Complete UK Medicare Advantage and Medicare Rx enrollment form with UK HR Benefits
- UK sends file to Express Scripts, who sends on to CMS for processing
- When CMS approved, Express Scripts will send letter and Welcome Packet with new ID card
- After April 2018 – Medicare ID is no longer be SSN based but a unique 11 digit MBI (Medicare Beneficiary ID)



UK Medicare Part D (EGWP)

EOB

- Medicare required document
- Sent monthly following any Rx activity
- Available online from Express Scripts member web portal

Express Scripts
PO Box 14235
Lexington, KY 40512-4235

Express Scripts Medicare™ (PDP)

August 09, 2013

UK

Your member numbers are:

Group Number: #KYMA

Your Monthly Prescription Drug Summary

For July, 2013

This summary is your "Explanation of Benefits" (EOB) for your Medicare prescription drug coverage (Part D). Please review this summary and keep it for your records. (This is not a bill.)

Here are the sections in this summary:

- SECTION 1. Your prescriptions during the past month
- SECTION 2. Which "drug payment stage" are you in?
- SECTION 3. Your "out-of-pocket costs" and "total drug costs" (amounts and definitions)
- SECTION 4. Updates to the plan's Drug List that will affect drugs you take
- SECTION 5. If you see mistakes on this summary or have questions, what should you do?
- SECTION 6. Important things to know about your drug coverage and your rights

Need large print or another format?

To get this material in other formats, or ask for language translation services, call University of Kentucky Member Services (the number is on this page).

For languages other than English:

Español 1-888-787-2437 (Spanish)

Express Scripts Medicare™ (PDP) for University of Kentucky is operated by Express Scripts Medicare **Member Services**

If you have questions or need help, call us 24 hours a day, 7 days a week. Calls to these numbers are free.

1-888-787-2437

TTY users call: 1-800-716-3231

Medicare Part D – LEP

- LEP = LATE ENROLLMENT PENALTY
1% per Month of Standard Medicare D Premium
(\$38.99 for 2026)
 - Receive a letter from Express Scripts
 - Documentation of Creditable Coverage
 - UK Benefits Pharmacist can provide Express Scripts with documentation for you **IF** you were previously covered on UK Prescription plan

Medicare Part D – LEP

- LEP = LATE ENROLLMENT PENALTY

1% per Month of Standard Medicare D Premium (\$38.99 for 2026)

- 1% x SMDP x Months not covered
- Example: Mr. Smith went 36 months without any insurance coverage once he was eligible for Medicare. After enrollment his penalty will be
 - $0.01 \times \$38.99 \times 36 = \14.04
- This penalty will apply monthly until Mr. Smith is no longer on Medicare

Medicare Part D – IRMAA

- IRMAA = Income Related Monthly Adjustment Amounts
 - Paid Directly to Social Security Administration

2026 IRMAA -If MAGI in 2025 (or 2024 if 2023 is not available) was:

Single	Married filing jointly	Monthly IRMAA Part D
\$109,000 or less	\$218,000 or less	\$0
>\$109,000 to \$137,000	>\$218,000 to \$274,000	\$14.50
>\$137,000 to \$171,000	>\$274,000 to \$342,000	\$37.50
>\$171,000 to \$205,000	>\$342,000 to \$410,000	\$60.40
>\$205,000 and <\$500,000	>\$410,000 and <\$750,000	\$83.30
\$500,000 and above	\$750,000 and above	\$91.00

Medicare Part D – Extra Help

LIS = Low Income Subsidy

- Monthly Premium Reimbursement
- Reduced Copays on Prescriptions



In 2025, you may qualify if you have up to \$23,475 in resources (\$31,725 for a married couple).

Resources include: bank accounts, stocks, bonds but not your primary home, car, or life insurance policies

<https://secure.ssa.gov/i1020/start>

Medicare Plan – Hospital Observation/ER Visit

Self –Administered Drugs

- Part A (Hospitalization) – only applies if patient is ADMITTED
- Part B will not cover self administered drugs (oral tablets, eye drops, inhalers, etc.)

Patient is charged for full amount of doses given (\$\$\$)

Reimbursement only available via manual claim form with Part D
Prescription plan

Medicare Plan – M3P

- A new program from the inflation reduction act (IRA) was effective 1/1/25. It is called the Medicare Prescription Payment Program (aka M3P)
- M3P is intended to help members smooth out their copay for the remainder of the year if they have a high cost drug initially.
- This program will NOT reduce the patients out of pocket costs
- Could result in balloon payment towards the end of the year.
- Removes transparency between the members known cost.
- Given there is no deductible, caps on copays, and extra contribution to the out of pocket threshold, there is little to no need for members of an EGWP to enroll in M3P.

Medicare Part D Review

- Enroll in Medicare A/B regardless of employment 3 months before 65th birthday
- Plan year resets 1/1 regardless of when you enroll
- LIS – Low Income Subsidy – Helps with your Medicare Costs
- LEP – Late enrollment penalty – Can cost you extra if you fail to attest or sign up for Medicare D late
- IRMAA – Based on income can adjust Medicare Cost
- EOB – Explanation of Benefits – supplied every month
- Self Administered Drugs -will require manual claim
- Coverage Gap –Coverage Gap no longer exists
- Catastrophic Coverage – when the member cost for the year reaches \$2,100, patient cost is \$0
- Vaccine Coverage – Select vaccines are covered on Medicare B or D. Select vaccines are covered at \$0 member cost
- M3P Program – Will not reduce cost or offer any extra help. Not a mandatory program to enroll in.
- If you have questions about your medications, cost, formulary status, coverage or just want to talk with a pharmacist: 855-218-5979

Know Your Rx Coalition *Pharm-Assist* Offering MONDAY-FRIDAY 8AM –6 PM E.T.

KYRx@uky.edu

Free counseling service via live pharmacists

- Contact members with lower cost prescription alternatives
- Contact Prescribers and Pharmacies on your behalf
- Guide you to lowest cost medication options (\$4 generic lists, copay cards, etc.)
- Contact PBM (Express Scripts) on your behalf as needed
- Provide medication information and prescription coverage information specific to your plan

Know Your Rx Coalition

855-218-5979

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Marissa Boelhauf – Clinical Dir.

Dedicated Clinical Pharmacists

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Zach Wilkerson