

# Answers on Aging® | Pharmacy Benefits

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## Maximize Your Pharmacy Benefits Toolkit Overview

Research shows that the vast majority of Medicare beneficiaries are not taking full advantage of their pharmacy coverage, resulting in poor medication adherence that can have a significant negative effect on their physical and financial health. While there are many different resources available to help older adults choose a Part D plan, there is a real information gap when it comes to helping people understand and use their pharmacy benefits once they choose a plan.

For this reason, n4a and Walgreens teamed up to develop the **Answers on Aging® Pharmacy Benefits** campaign, which includes this educational toolkit containing all of the materials needed to help close that gap.

The toolkit was developed with two audiences in mind—Medicare counselors and the consumers they assist. Here is an overview of each of the four documents:

- **Counselor’s Quick Guide:** provides background on the problems that can arise when pharmacy benefits aren’t maximized, as well as solutions to address those problems
- **Counselor-to-Consumer Discussion Guide:** provides a simple, step-by-step process for helping consumers understand their benefits based on their specific needs
- **Consumer Quick Guide:** helps consumers understand often complex pharmacy benefits terminology and provides tips for maximizing their benefits
- **Consumer Checklist:** helps consumers gather key information to help them make the most of their pharmacy benefits

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## Maximize Your Pharmacy Benefits Counselor's Quick Guide

Medicare education counselors provide critical information and education to millions of consumers every year during Open Enrollment. Educating consumers about the many details to consider when selecting a plan is a big job, and Area Agencies on Aging play a crucial role by ensuring consumers have a trusted resource to help them navigate through a complex and confusing process.

But have you ever wondered what happens to the consumers after they select a plan? Once enrollment is over, and the Medicare insurance card is in their wallet, consumers generally don't try to learn more about their plan or how to maximize their benefits to achieve better health outcomes and savings.

**Understanding prescription drug coverage, one of the most confusing aspects of Open Enrollment plan selection, continues to be challenging for consumers AFTER Open Enrollment, and this confusion can have consequences for them.**

### Understanding the problem

Older adults say **medication costs** and **not understanding their benefits** are the top challenges they face in trying to access health care, with the following consequences:

- Only 12 percent of Medicare beneficiaries maximize their pharmacy benefits<sup>1</sup>; that means 88 percent of beneficiaries do not take advantage of Medicare Part D cost savings or extra benefits!
- Poor medication adherence results in up to \$290 billion of avoidable health care spending annually in the United States.<sup>2</sup>

Additionally, Medicare education counselors report that consumers are reluctant to ask questions, which leads to a continued lack of understanding and an inability to maximize their prescription drug benefits.

### What is the solution? Education.

Medicare education counselors can help consumers understand that once Open Enrollment is over, **maximizing benefits is the next important step in the Medicare education process.**

Once they become informed, consumers should be encouraged to talk to their doctor and pharmacist about their prescription drugs and steps they can take to maximize their benefits, save money and ensure good health outcomes.

After all, older adults say **they want simple information on cost, provider networks and coverage.**<sup>3</sup> The **Answers on Aging® Pharmacy Benefits** materials will help you educate consumers, and help them know what questions to ask their doctor and pharmacist as they try to make the most of their prescription drug benefits, while achieving good health outcomes and protecting their pocketbook.



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## What do consumers need to know to maximize Part D benefits?

Three key areas can help focus consumers on what's most important (after they have chosen their plan). **They need to know their pharmacy network, medications and situation.**

Help consumers “know” their information—their pharmacy network, medications and situation—and they'll be well on their way to maximizing their prescription drug plan benefits. Knowing their information will help consumers have the important discussions with doctors and pharmacists about what they can do to maximize the benefits of their Part D plan.

## How can Medicare education counselors help?

Use the **Answers on Aging® Consumer Quick Guide** to help consumers understand their plan and how to use it wisely. This guide will serve as a resource to help consumers get to know their new prescription drug benefits plan and create a checklist to help make a confusing topic easier to organize and follow as they make decisions about how to best use their plan throughout the year.

### 1 Know your pharmacy network

- Choosing the right pharmacy and pharmacist can make a dramatic difference for older adults as they seek to maximize their Medicare Part D plan benefits.
- Remind consumers about the importance of selecting lower-cost medications and programs like medication therapy management (MTM), copay-reducing options like 90-day refills and over-the-counter therapies.
- Depending on the prescription drug plan, using a preferred pharmacy can reduce consumers' copays and may include other benefit enhancements.
- Knowing how to use a drug plan's formulary can provide dramatic cost savings for consumers. Help them review their prescription drug's tier within their Part D plan's formulary.

- Here's another place where a trusted pharmacist can be a big help. Consumers should ask their pharmacist whether another drug—even a different brand name drug (sometimes called a “preferred brand”)—might be in a lower tier and still provide an equivalent therapy.
- Using generics and preferred brands are great ways to lower drug costs.

### 2 Know your medications

- Help consumers consider the big picture. For example, are consumers talking with their doctor or pharmacist about all of their medications and any other health issues? Encourage them to ask their doctor about alternative medications that might be as effective as what was originally prescribed, but cost less. Consumers should know that doctors have these kinds of conversations with patients every day.
- If they need help paying for their medications—not just their drug plan premium—encourage consumers to discuss the situation with their pharmacists who can often suggest programs or other methods to keep prescription costs down.

### 3 Know your situation

Studies show that people with Medicare focus most on the Medicare plan's premium, and certainly that's an important consideration during the annual Open Enrollment period.

**However, educating consumers that every trip to the pharmacy is an opportunity to lower their costs and maximize their benefits is important.** Help them understand that it's okay to ask questions of their doctor and pharmacist so they can take advantage of the many benefits available to them in their prescription drug plans.

Set the stage for maximizing their benefits throughout the year by walking them through the **Answers on Aging® Consumer Quick Guide and Checklist**.

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1. Abaluck J, Gruber J. Choice Inconsistencies among the elderly: evidence from plan choice in the Medicare Part D program. *Amer Econ Rev*. 101(4):1180-1210.  
2. Thinking outside the pillbox; a system-wide approach to improving patient medication adherence for chronic disease. New England Healthcare Institute Web site. [http://www.nehi.net/writable/publication\\_files/file/pa\\_issue\\_brief\\_final.pdf](http://www.nehi.net/writable/publication_files/file/pa_issue_brief_final.pdf). Accessed July 7, 2015.  
3. Jacobson G, Swoope C, Perry M, Slosar MC. How are seniors choosing and changing health insurance plans. Kaiser Family Foundation Web site. <http://kff.org/medicare/report/how-are-seniors-choosing-and-changing-health-insuranceplans/>. Accessed July 7, 2015.

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## Maximize Your Pharmacy Benefits Counselor-to-Consumer Discussion Guide

Client info:

Current Part D plan: \_\_\_\_\_

Current pharmacy: \_\_\_\_\_ Preferred?:  Yes  No (if not, discuss)

Option for a preferred pharmacy? \_\_\_\_\_

Ask about the consumer's transportation needs to enable them to pick up their medications at the pharmacy

New pharmacy (if consumer chooses to change): \_\_\_\_\_

### Medications review

**Are all prescriptions filled by the same pharmacy (to monitor for drug interactions)?**

(Counselor prompt—Explain the benefits of having all prescriptions filled at the same pharmacy. Refer to their pharmacist for more information.)

**Is their primary care physician consulted about ALL medications, including over-the-counter (OTC) medications and supplements?**

(Counselor prompt—If not, refer to doctor for follow-up.)

**Are all prescriptions in the lowest tier for the therapeutic class (generic/preferred brand)?**

(Counselor prompt—If not, explain the formulary tiers and refer to plan and pharmacist for follow-up about lower-tiered medications in plan that may be suitable.)

**Are maintenance drugs filled in a 90-day supply where a lower copay applies?**

(Counselor prompt—If not, discuss 90-day supply option and refer to pharmacist.)

**Has the consumer discussed OTC options with his/her doctor?**

(Counselor prompt—If not, discuss and refer to doctor and plan for benefits check.)

**Doctor or pharmacist review of prescriptions for falls risk.**

(Counselor prompt—Sometimes medications interact or affect someone in a way that could increase their risk of falling. Discuss falls risk and refer to a doctor or pharmacist for follow-up.)

**Assess eligibility and discuss medication therapy management (MTM) with qualified candidates.**

(Counselor prompt—Refer to pharmacist for more information.)

**Is prescription drug plan deductible or copay affordability an issue?**

(Counselor prompt—If so, discuss and assess eligibility for programs that can help.)

**Assess and advise consumer on other services and supports to help with medication adherence.**

(Counselor prompt—Example: Transportation to the pharmacy or doctor's appointment, medication reminders, caregiver support, etc.)



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## Maximize Your Pharmacy Benefits Consumer Quick Guide

While choosing a Medicare prescription drug plan is an important annual task, understanding and using your pharmacy benefits wisely is important all year long. This Quick Guide provides a few simple steps you can use to help lower your out-of-pocket costs and get the most out of your pharmacy benefits.

### Understanding key terms

The terms used in pharmacy benefits plans can be confusing, and finding answers can be a challenge. Here are a few key terms to remember:

**Premium**—The monthly fee for your Medicare Part D prescription drug plan coverage.

**Deductible**—The amount you'll pay out of pocket for your prescription medications before your Part D plan begins to pay its share. Deductibles vary by Medicare Part D drug plans.

**Copay and coinsurance**—The portion of your prescription drug costs that you are responsible for paying after your deductible (if any) is met. Depending on your plan, the copay may be a fixed amount or a percentage (also called coinsurance) that you pay for your medication.

**Formulary (or drug list)**—Every prescription drug plan has a list of covered drugs called a formulary. That list is divided into “tiers,” which vary by plan. Typically, you will pay less when you fill your prescriptions from the lower tiers and when you choose “preferred” drugs. Ask your doctor or pharmacist if there are lower-cost options, such as lower-cost brands or generic substitutes on your plan's formulary or even over-the-counter options that can properly treat your medical condition.

**Preferred pharmacy network**—Many prescription drug plans have a preferred pharmacy network. If your plan has a preferred pharmacy network, you will likely pay lower prescription copays by using a preferred pharmacy.

### Ways to maximize your pharmacy benefits

1

#### Know your pharmacy network

- You will likely pay less by filling your medications at a preferred pharmacy if your plan offers that option
- If not, be certain to choose a pharmacy that is in-network for cost savings

2

#### Know your medications

- Ask your doctor and pharmacist if you can lower your pharmacy costs by filling a:
  - Generic alternative
  - Lower-cost brand alternative
  - 90-day supply instead of 30-day

3

#### Know your situation

- At least once a year, evaluate changes in your health and prescription needs
- Ask your doctor and pharmacist about ways you can reduce your medication costs



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## Maximize Your Pharmacy Benefits Consumer Checklist

By checking the boxes below, you are helping to make sure that you have the information you need to maximize your pharmacy benefits.

### 1 Know your pharmacy network

- Is your pharmacy a preferred pharmacy that may offer additional savings and benefits? Check your Medicare Part D plan to see if your pharmacy is on their preferred pharmacy list. If a preferred pharmacy is available to you, it may provide savings and be worth the change. If not, confirm that the pharmacy you choose is included in your plan's pharmacy network.
- Is your pharmacy convenient?
- Does your pharmacist take time to answer your questions?

### 2 Know your medications

- What is the formulary tier for each of your medications? Can you save money with a different tier? Each plan has different drug formularies and costs—tier 1 being the least expensive. Ask your doctor if your plan's tier 1 formulary will meet your needs.
- Do you take medications for more than one medical condition? If so, you may qualify for medication management therapy (MTM) with a pharmacist or other health professional to help ensure that your medications are working to improve your health.

### 3 Know your situation

- Have you checked your plan's formulary tier list to see where your medications rank in costs? Medications range from the lowest cost preferred generics, to nonpreferred generics, to preferred medications, to nonpreferred prescription drugs, to specialty tier drugs that cost the most. Are your medications on the lowest tier? If not, ask questions about solutions for lower-cost medications.
- Does your plan offer savings on over-the-counter (OTC) medications?
- Does your plan offer transition-of-care supplies?



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