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Frequently Asked Questions (FAQ) About Retiree Prescription Drug Coverage Change Effective January 1, 2025

*This FAQ document was originally published on January 15, 2024.
Updates were initially made on May 20, 2024.
Latest updates are as of September 9, 2024.
Updates will continue to be made as necessary.*

NEW FAQs AS OF SEPTEMBER 9

Who has the State selected to support retirees through this transition?

The State of Maryland carefully evaluated and selected Via Benefits to be our partner through this transition because of their proven track record to provide personalized, comprehensive, high-touch service.

Via Benefits operates one of the country's largest private Medicare marketplaces and has helped more than two million retirees plan, shop for, enroll in, and maintain individual health coverage that fits their needs.

Via Benefits will help you explore and enroll in a new Medicare Part D plan by offering one-on-one counseling and unbiased guidance to ensure you understand your options and make an informed decision.

How can we connect with Via Benefits?

Letters were mailed to eligible retirees' homes the week of September 9 with more details about the transition including what actions to take and how to connect with Via Benefits.

You can contact Via Benefits now to set up your profile, make an enrollment appointment, and register for a virtual or in-person meeting. Via Benefits can be reached by phone at 1-855-556-4419 (TTY:711), Monday through Friday, 8 a.m. to 7 p.m. ET, or on their website at my.viabenefits.com/maryland.

When are the educational meetings?

Virtual meetings begin September 23. In-person meetings, which are being held in every county in Maryland, begin October 1. You can find the schedule of meetings at my.viabenefits.com/maryland or dbm.maryland.gov/benefits/Pages/Retirees.aspx. If you plan to attend a virtual or in-person meeting, make sure to register by following the links on either website.

Why do I need to schedule an appointment with Via Benefits?

If you are eligible for one of the State's financial assistance programs (the Health Reimbursement Arrangement and/or Life Sustaining Prescription Drug Assistance Program), you must enroll through Via Benefits to gain access to these programs. By scheduling an appointment with Via Benefits, you'll reduce wait times during your enrollment window and help the enrollment call go as smoothly and efficiently as possible. However, if you are more comfortable enrolling online, you can do that without an appointment. And if you get part way through and need help or have questions, you can contact Via Benefits at any time for help!

I'm eligible for the State's financial assistance programs based on my date of hire and retirement date. Are there any other requirements for getting access to these programs?

Yes, in order to have access to the State's financial assistance programs, you must enroll in your new Medicare Part D prescription drug plan through Via Benefits, and you must enroll or stay enrolled in the State's group medical plan.

What do I do if I've been getting calls about Medicare Advantage plans available in my area? Should I enroll in one of these plans?

Medicare Advantage plans (also called Medicare Part C) offer an alternative to Medicare Parts A & B by providing benefits through private insurance companies that are at least as good as or better than Original Medicare. These plans often include prescription drug coverage, too, and therefore they offer comparable coverage to the State's group medical plan and a standalone Part D prescription drug plan.

However, if you are eligible and want access to the financial assistance programs available through the State of Maryland, you must enroll in the State's group medical plan, and not a Medicare Advantage plan.

Be cautious about accepting calls from other individuals who want to help you enroll in Medicare Advantage plans and/or Medicare Part D plans. Even well-meaning friends or family may give you uninformed advice that could jeopardize your ability to access the State's financial assistance programs in 2025, if you're eligible. That's why we're encouraging you to enroll in a plan through our trusted partner, Via Benefits, to receive personalized, accurate guidance from benefit counselors.

Via Benefits will be making outreach calls to you to help you set up your profile and schedule an enrollment appointment in the coming weeks. They will always identify themselves as being from Via Benefits. If you are uncertain about the caller's authenticity, just tell them you want to call them back and dial Via Benefits directly at 1-855-556-4419 (TTY:711).

I don't live in Maryland. Can I still get coverage?

Yes, Part D plans provide national coverage from participating pharmacies so you can find coverage even if you live outside the State of Maryland permanently or just on a seasonal basis.

When can I enroll in a new individual Part D plan?

Your enrollment window depends on whether you're currently enrolled in the State's group prescription drug plan.

- If you are currently enrolled in the State of Maryland's prescription drug plan, you have a Special Enrollment Period between October 1 and December 31, 2024. (This is an expanded window from what we previously communicated giving you more time to explore your options and enroll.)
- If you are not currently enrolled in the State of Maryland's prescription drug plan, you need to enroll during Medicare's standard open enrollment period between October 15 and December 7, 2024.

Note that individual Medicare Part D prescription drug plans for 2025 will become available to review on October 1. While you can explore plans that are available for 2024 on the Via Benefits website prior to then, these plans may not be available in 2025, and even if they are, their premiums may change. Therefore we encourage you to wait until October 1 to begin reviewing your plan options.

Will I be automatically enrolled in the Medicare Part D plan by the State?

The State cannot enroll you in a Part D prescription drug plan. These plans are individual plans and, therefore, you must take action by enrolling with Via Benefits between October 1 and December 31, 2024. Otherwise, you will not have prescription drug coverage effective January 1, 2025.

If I don't enroll through Via Benefits this year and don't have access to the financial assistance programs from the State, can I enroll in the future and get access?

Yes, if you are eligible and don't enroll in an individual plan through Via Benefits this year and want to get access to these programs in future years, you can "opt back in" by enrolling through Via Benefits during a future Medicare Open Enrollment period (October 15 through December 7 each year).

How do I pay for my new plan?

Medicare Part D Plan premiums will no longer be deducted from your pension payment. Because of this, your net pension check will increase. You must pay the premiums directly to the carrier and your Via Benefits advisor will explain the process.

Can I have my Part D plan premium deducted from my Social Security payment?

While it is possible to have your Part D premiums deducted from your monthly Social Security check, there are several complexities that typically lead members to not opt for this. If you are interested in learning more about this, please discuss this with a Via Benefits licensed benefit advisor prior to enrolling in a plan.

Will Via Benefits sell my personal health information?

Absolutely not. All information you provide about your healthcare and medications will remain fully confidential and is protected by HIPAA. Via Benefits advisors will be able to access your information only to assist you in selecting the best Medicare Part D plan for you. Via Benefits will never sell or exchange your information.

OVERVIEW AND TIMING

The State of Maryland's prescription drug plan coverage for Medicare-eligible retirees is changing on January 1, 2025. All Medicare-eligible retirees should have received an announcement letter about the changes along with our original FAQ document.

This change was made in 2011 to address both the long-term affordability of the State-funded plan and the planned benefit improvements in Medicare Part D. Combined with programs enacted in 2019 to mitigate differences from the State plan, retirees can expect that out-of-pocket costs will be capped at a similar level as the current State prescription drug plan. Health benefits will continue to be available through the State plan.

We realize this is a big change, and you probably have many questions and concerns. We are committed to ensuring a smooth transition to your new coverage, including providing one-on-one counseling assistance in selecting a Part D plan. As additional details become available, our team at the Department of Budget and Management and the administrator we bring on board will endeavor to answer all your questions and address your concerns. In the meantime, this FAQ document has been updated to address some additional questions we have heard since January.

What is happening?

The current State-provided prescription drug plan for Medicare-eligible retirees will end on December 31, 2024. Retirees who are currently enrolled in the State's prescription drug plan will need to enroll in a Medicare Part D plan during a Special Enrollment Period this fall, between October 1 and December 31, 2024, to have prescription drug coverage on January 1, 2025. You will need to select a Medicare Part D plan from the options that will be available in your geographic area. To assist you with this transition, the State will provide one-on-one counseling to walk through your options and enroll you in a plan this fall.

Retirees who are not currently enrolled in the State's prescription drug plan, but who are interested in enrolling in an individual prescription drug plan should enroll during Medicare's open enrollment this fall between October 15 and December 7, 2024.

Why is this happening now?

The changes are happening due to Maryland state law to address both the long-term affordability of the State-funded plan and the planned benefit improvements in Medicare Part D.

- Chapter 397 of 2011 provided that Medicare-eligible State retirees would no longer receive State-funded prescription drug coverage effective fiscal year 2020.

- Chapter 10 of 2018 made the change effective January 1, 2019. This was done in the expectation that Medicare-eligible State retirees could enroll in prescription drug coverage programs under Medicare Part D.
- State retirees filed a lawsuit in September 2018, claiming that termination of prescription drug benefits was an unconstitutional breach of contract between the State and retirees. As a result, the State was required to maintain existing State-provided prescription drug coverage for Medicare-eligible retirees until further order of the court.
- Chapter 767 of 2019 established reimbursement programs to cover a portion of out-of-pocket costs for retirees enrolled in Part D coverage.
- The federal Fourth Circuit Court of Appeals ultimately ruled in 2023 that there was no breach of contract between the State and retirees. As a result, the lawsuit was dismissed, and the injunction was lifted, allowing the State to move forward with implementing the law.

Changes to the prescription drug coverage for Medicare-eligible retirees are effective for the plan year beginning January 1, 2025.

Is any other State of Maryland-sponsored retiree health care coverage affected by this change?

No. Other State of Maryland-sponsored health care coverage for actives and retirees—and Medicare Part A and Part B coverage—are not affected by this change.

Who is affected by the changes to the retiree prescription drug program?

All Medicare-eligible retirees as of January 1, 2025, Medicare-eligible spouses and surviving spouses, and Medicare-eligible dependent children and surviving children are affected.

Non-Medicare-eligible retirees, non-Medicare-eligible spouses, and non-Medicare-eligible dependent children are not affected by this change and remain eligible for the State plan.

Will I be covered automatically under a new prescription drug plan starting January 1, 2025?

No. To have prescription drug coverage on January 1, 2025, you will need to select an individual Medicare Part D plan from the options that will be available in your geographic area this fall. If you're currently enrolled in the State's prescription drug plan, you have a Special Enrollment Period between October 1 and December 31, 2024. If you're not currently enrolled in the State's prescription drug plan, you can enroll during Medicare's open enrollment this fall between October 15 – December 7, 2024.

ABOUT MEDICARE AND MEDICARE PART D PRESCRIPTION DRUG PLANS

How do the Medicare Part D prescription drug plans work? What drugs will be covered, and how much will it cost to fill prescriptions?

Medicare covers prescription drugs through Part D prescription drug plans. These plans must follow rules established by the federal government. Each Medicare plan must give at least a standard level of coverage set by Medicare. Medicare plans can vary on pharmacies they use, prescription drugs they cover, and how much they charge.

All Part D prescription drug plans must cover a wide range of prescription drugs. Each plan will publish a list of its covered drugs, so retirees can understand which plan covers the medications they will need and how much they will cost. **The list of covered drugs may be different from the State's current plan, so it's important to take advantage of the one-on-one counseling so you can understand which Part D plan will cover the drugs you need.**

The following categories of drugs are not covered under Medicare Part D:*

- Drugs used to treat anorexia, weight loss, or weight gain
- Fertility drugs
- Drugs used for cosmetic purposes or hair growth
- Drugs that are used for the relief of cold or cough symptoms
- Drugs used to treat erectile dysfunction
- Prescription vitamins and minerals (except prenatal vitamins and fluoride preparations)
- Non-prescription drugs (over-the-counter drugs)

* Prescription drugs used for the above conditions may be covered if they are being prescribed to treat other conditions. For example, a medicine for the relief of cold symptoms may be covered by Part D if prescribed to treat something other than a cold (e.g., shortness of breath from asthma) that is approved by the FDA.

[Read more about Part D excluded drugs.](#)

The Inflation Reduction Act includes several provisions to lower prescription drug costs for people with Medicare and reduce drug spending by the federal government, including several changes to the Medicare Part D drug benefit.

In 2025, the annual out-of-pocket (OOP) amount payable by retirees who have Part D coverage will be limited to \$2,000. Enrollees who surpass the \$2,000 OOP threshold will no longer incur cost sharing for Part D drugs for the remainder of the calendar year.

How will I be able to tell the difference between the Medicare Part D prescription drug plans?

The specific details of the cost and benefits coverage in 2025 Medicare Part D prescription will be available on October 1, 2024. The State has contracted with Via Benefits, an experienced vendor whose licensed benefits advisors will help you understand how the plans work and

assist you in selecting a plan during enrollment. **The list of covered drugs may be different from the State's current plan, so it's important to take advantage of the one-on-one counseling so you can understand which Part D plan will cover the drugs you need.**

What if I cannot find a formulary that covers my current prescription drug?

All Part D plans include a formulary of preferred drugs. Not every drug within a therapeutic class is covered by every plan, but there are alternatives available under each class. Through the one-on-one counseling services, licensed agents will assist you with selecting the best plan for you based on your personal needs.

If you select a Part D plan that does not include on its formulary a current prescription drug that you are taking, you will have an option to substitute a therapeutic equivalent drug or seek a prior authorization to use that drug. We encourage you to speak with your physician about alternatives that align with your selected formulary. Approved prior authorizations will be covered under your plan and count toward your out-of-pocket maximum.

Are all drugs processed through Medicare Part D?

No. Inpatient hospital charges, including drugs administered during the stay, are paid through Medicare Part A.

Generally, Part B covers outpatient services, such as physician visits, lab, and X-rays. Part B also covers outpatient drugs like:

- Injections received in a doctor's office
- Certain oral anti-cancer drugs
- Drugs used with some durable medical equipment (e.g., nebulizer or external infusion pump)

This is consistent with the way your Medicare coverage works today.

A full description can be found in the *Medicare and You* guide beginning on page 29: medicare.gov/publications/10050-Medicare-and-You.pdf

Where can I get more information about Medicare?

For more information about Medicare, visit the Medicare website at medicare.gov.

ENROLLMENT

How do I enroll in a Medicare Part D prescription drug plan this fall?

During your enrollment window (October 1 through December 31 if you're currently enrolled in the State's prescription drug plan, or October 15 through December 7 if you're not currently enrolled in the State's prescription drug plan), you will enroll in a Medicare Part D prescription drug plan either online or by phone. You will be able to meet one-on-one with a licensed benefit advisor from Via Benefits who will assist you. They will review your current medications with you, help you understand your options, and assist you in selecting a plan.

Refer to the letter mailed to your home the week of September 9 with more details regarding how

to access to support available from the State and Via Benefits to find and enroll in new prescription drug coverage.

Note: If you don't elect a plan during your enrollment window, you will have to wait until the next open enrollment period, unless you qualify for a separate special enrollment period, and you may be subject to a late enrollment penalty.

Will I have to pay a Part D late enrollment penalty since, I did not elect it during my initial eligibility period?

No. The State's retiree prescription drug program is a Medicare Part D plan with a wrap and is considered creditable coverage. A late enrollment penalty will not apply to your transition from the State's prescription drug plan to another Medicare Part D plan if you enroll during your Special Enrollment Period, between October 1 and December 31. The Notice of Creditable Coverage is available on the Department of Budget and Management's website under **Important Links** at dbm.maryland.gov/benefits.

Will I have access to one-on-one counseling to help me choose a new prescription drug plan?

Yes. The State has contracted with Via Benefits, to provide one-on-one counseling to assist you with the selection of a new prescription drug plan. The counselors will review your current medications with you, help you understand your options, and assist you in selecting and enrolling in a plan. You can schedule an enrollment appointment with Via Benefits either on their website at my.viabenefits.com/maryland or by calling 1-855-556-4419 (TTY: 711), Monday through Friday from 8 a.m. to 7 p.m. ET.

What other opportunities will there be for me to learn about the changes and make a well-informed decision about which Medicare Part D plan to choose?

We encourage you to participate in an educational meeting to help you learn about your options and get your general questions answered. There are three options for these meetings so you can choose what works best for you:

- A recorded meeting that you can watch when it's convenient for you. The recording will be available 24/7 beginning September 9 and accessible at my.viabenefits.com/maryland.
- Virtual meetings available beginning September 23 at various times throughout October.
- In-person meetings in every county in Maryland from October 1 through October 31. You can find the schedule of meetings at my.viabenefits.com/maryland or dbm.maryland.gov/benefits/Pages/Retirees.aspx. If you plan to attend a virtual or in-person meeting, make sure to register by following the links on either website.

What if I want to explore other options?

You are welcome to explore other options if it makes sense for your situation. A one-on-one benefit advisor can help walk you through the options.

ABOUT THE HEALTH REIMBURSEMENT ARRANGEMENT (HRA)

What is an HRA?

A health reimbursement arrangement (HRA) is a special type of account that is set up by the State to help you pay for your prescription drugs. If eligible, an account will automatically be set up for you (and your covered dependents). If you enroll in a Part D plan through Via Benefits, you can then use the money in this account to pay for covered prescription drugs.

Who is eligible for the health reimbursement arrangement (HRA)?

If you were hired by the State on or before June 30, 2011, and retired* from State service on or before January 1, 2020, you are eligible to receive a State-funded HRA.

Those hired on or after July 1, 2011, are **not eligible** for the State-funded HRA. Those who retired* after January 1, 2020, regardless of date of hire, are also not eligible for the HRA.

*Defined as the retirement date on which you became eligible for your pension payments, verified by the Maryland State Retirement Agency (MSRA)

How much will the State contribute each year to my HRA?

If you are eligible for the HRA, the State will deposit money into your HRA starting in January 2025. A minimum assistance requirement was set into law, so you won't have to pay any more for prescription drugs, out of pocket, than you do today under the State plan. The difference between the State plan's current out-of-pocket maximum and the Medicare Part D out-of-pocket maximum will be deposited into an HRA for you to use toward your prescription drug costs.

The minimum assistance amount will also be adjusted as needed in coordination with changes to Part D out-of-pocket maximums.

Example:

	Medicare-Eligible Retiree Only	Family With Two Medicare-Eligible Members
State plan prescription drug out-of-pocket maximum for 2024	\$1,500	\$2,000
Medicare Part D plans out-of-pocket maximum for 2025	\$2,000	\$4,000
2025 minimum assistance requirement, per state law	\$500*	\$2,000
2025 amount to be deposited into your HRA (if eligible)	\$750*	\$2,000

* During the 2024 Legislative Session, the General Assembly increased the HRA amount by \$250 over the minimum assistance requirement of \$500 for calendar year 2025.

How will I access the money in my HRA?

If eligible for the HRA, the full amount will be deposited into your account in January, and you will be able to use the money when you buy your prescriptions.

If you have any money left over in your account at the end of the calendar year, it will be returned to the State and applied to future HRA funding. Eligible members should watch for additional communications and instructions about using the HRA later this year.

WHAT YOU NEED TO DO

Do I need to do anything right now?

As you prepare to enroll in new coverage effective January 1, 2025, here are the actions you can take now:

- Create a profile with Via Benefits at my.viabenefits.com/maryland including the medications you take and pharmacies you use. This will expedite the enrollment process if you complete this information in advance.
- Call now to schedule an enrollment appointment with Via Benefits during your enrollment window. We recommend scheduling this earlier than later.
- Review educational information on my.viabenefits.com/maryland, including helpful videos and articles.

Register for a virtual or in-person educational meeting. You can find the schedule of meetings at my.viabenefits.com/maryland or dbm.maryland.gov/benefits/Pages/Retirees.aspx. If you plan to attend a virtual or in-person meeting, make sure to register by following the links on either website.

Once your enrollment window begins (for those currently enrolled in the State's prescription drug plan, that's between October 1 and December 31; for those not currently enrolled in the State's prescription drug plan, that's between October 15 and December 7), you can elect new individual Part D prescription drug coverage through Via Benefits.

What address should I use as my address on file with the State of Maryland if I split my time living between two locations?

You may only participate in one Part D plan and must use your permanent address. A permanent address is established by voter registration, driver's license, tax records, or utility bills. A post office box cannot be used. Your plan selection will be based on your permanent address and should include a national network.

Note: Your address on file with the State of Maryland will be the address we and our health benefits vendors will use to communicate with you throughout this process. It is also recommended that you use a forwarding service for your mail to be sent where you are living throughout the year.

WHOM TO CONTACT IF YOU HAVE QUESTIONS

Whom can I contact if I have questions?

Via Benefits is available to take your calls and offer support and guidance in selecting your new Part D plan. You can reach Via Benefits by phone at 1-855-556-4419 (TTY:711) Monday through Friday, 8:00 a.m. to 7:00 p.m.

Is there any financial assistance available if I have a limited income?

Everyone's circumstances are different. Some retirees may be eligible for Extra Help, which is a Medicare program that helps people with limited income and resources pay for deductibles, coinsurance, Medicare Part D premiums, and other costs. One-on-one counselors will be able to discuss your situation with you and determine whether you're eligible and how it works.

Information on the 2024 Extra Help program and determination can be found on the Medicare website: medicare.gov/basics/costs/help/drug-costs.