

POSTAL SERVICE HEALTH BENEFITS

BLUE CROSS AND BLUE SHIELD FEDERAL EMPLOYEE PROGRAM

GET TO KNOW THE FEP MEDICARE PRESCRIPTION DRUG PROGRAM



**Helping you save on the
prescriptions you need.
HERE FOR YOU.**

  **BlueCross.
BlueShield.**
Federal Employee Program.
fepblue.org



WHAT IS THE FEP MEDICARE PRESCRIPTION DRUG PROGRAM?

The FEP Medicare Prescription Drug Program, or MPDP, is a prescription drug benefit exclusively for Blue Cross and Blue Shield Federal Employee Program (FEP) members eligible for Medicare. It's part of your Blue Cross and Blue Shield Service Benefit Plan coverage.



It is a PSHB requirement that you must enroll in your insurance carrier's Medicare Part D plan to have prescription drug coverage. There are limited exceptions (see page 6). **If these exceptions do not apply, you must enroll in MPDP.**

Who can enroll in MPDP

You are eligible for MPDP if you are:



An FEP member



Eligible for Medicare Part A and/or B Primary



A resident of the U.S. or a U.S. territory

How MPDP works for you

As an OPM requirement, MPDP helps you get the prescription drugs you need while keeping costs within your budget:



You'll enjoy the **same FEP health plan benefits** you know and trust.



You'll have **more access to approved prescription drugs** than the traditional prescription drug benefit.



You'll **pay less out of pocket** for higher-cost drugs.



You'll have peace of mind with a **\$2,100 annual cap** on your prescription costs.



You'll pay **no extra FEP premium cost** if you're eligible for Medicare.

*Depending on your income level, you may need to pay an Income-Related Monthly Adjustment Amount (IRMAA) to Social Security. Learn more on **page 10**.*

Once you're retired from the U.S. Postal Service and eligible for Medicare Part D (eligibility begins typically at age 65), we'll send you a letter automatically enrolling you in MPDP unless you are eligible for an exception (see page 6).



MPDP has four drug tiers

Tier 1 Generics	Tier 2 Preferred Brand Name	Tier 3 Non-preferred Brand Name	Tier 4 Specialty Drugs
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What you'll save on pharmacy benefits with FEP Blue Standard®

Benefit	Traditional FEP Pharmacy Benefits	With FEP Medicare Prescription Drug Program
In-network Retail Pharmacy <i>(For a 30-day supply)</i>	Tier 1: \$7.50 copay Tier 2: 30% coinsurance Tier 3: 50% coinsurance Tier 4: 30% coinsurance Tier 5: 30% coinsurance	Tier 1: \$5 copay Tier 2: \$35 copay Tier 3: 50% coinsurance Tier 4: \$60 copay
FEP Mail Service Pharmacy <i>(For a 90-day supply)</i>	Tier 1: \$15 copay Tier 2: \$140 copay Tier 3: \$175 copay	Tier 1: \$5 copay Tier 2: \$85 copay Tier 3: \$125 copay Tier 4: \$150 copay
FEP Specialty Pharmacy <i>(For a 30-day supply)</i>	Tier 4: \$100 copay Tier 5: \$135 copay	Your specialty drug benefits are in Tier 4 (see above)
Annual pharmacy out-of-pocket maximum	Not a benefit	\$2,100 per member

What you'll save on pharmacy benefits with FEP Blue Basic®

Benefit	Traditional FEP Pharmacy Benefits	With FEP Medicare Prescription Drug Program
In-network Retail Pharmacy <i>(For a 30-day supply)</i>	Tier 1: \$15 copay Tier 2: 35% coinsurance (\$150 maximum) Tier 3: 60% coinsurance Tier 4: 35% coinsurance (\$400 maximum) Tier 5: 35% coinsurance (\$500 maximum)	Tier 1: \$10 copay Tier 2: \$45 copay Tier 3: 50% coinsurance Tier 4: \$75 copay
FEP Mail Service Pharmacy <i>(For a 90-day supply)</i>	Not a benefit	Tier 1: \$15 copay Tier 2: \$95 copay Tier 3: \$125 copay Tier 4: \$150 copay
FEP Specialty Pharmacy <i>(For a 30-day supply)</i>	Tier 4: 35% coinsurance (\$400 maximum) Tier 5: 35% coinsurance (\$500 maximum)	Your specialty drug benefits are in Tier 4 (see above)
Annual pharmacy out-of-pocket maximum	Not a benefit	\$2,100 per member

Choose the right FEP plan based on your prescription needs

You will be enrolled in the MPDP plan that matches the plan you're enrolled in for medical coverage.

FEP Blue Standard

This plan is best for people with Medicare Parts A and B who want high-value benefits.



It offers the **largest approved drug list** (formulary), making it a great choice for members with complex prescription needs.

FEP Blue Basic

This plan is great for people with Medicare Parts A and B who want a flexible plan with broad coverage across many types of care.



Members with Medicare get **enhanced prescription drug coverage**, including access to Mail Service.

FEP Blue Focus

This plan has more limited benefits when paired with Medicare A and B. We don't recommend this plan if you need care beyond preventive checkups and generic drugs.

How the pharmacy out-of-pocket maximum helps you

A unique benefit of MPDP is that you have an annual pharmacy out-of-pocket maximum. An out-of-pocket maximum is a cap (or maximum) on the amount you'll pay in copays and coinsurance. In the case of MPDP, it's a cap on the amount you'll pay for prescription drugs for the year.

That means you will pay no more than **\$2,100** annually on prescriptions per member in MPDP. Once you reach the maximum for the year, you pay **nothing** for your prescriptions for the rest of the year.

You still have an overall medical out-of-pocket maximum. However, since your medical out-of-pocket costs are waived when you have Medicare and FEP, most members pay nothing for their medical services.

See a helpful example of how this benefit keeps your costs down **on the next page**.

See how the out-of-pocket maximum can work for you



Iwana B. Blue is an FEP Blue Basic member who currently does not have MPDP.

They take three (3) generics, three (3) Preferred brand name drugs and two (2) Non-preferred specialty drugs that they refill monthly. **Their annual medical out-of-pocket maximum is \$7,500.**

Cost of generics for the year	$\$15 \times 3 \times 12 = \540
Cost of Preferred brand name drugs for the year	$\$75 \times 3 \times 12 = \$2,700$
Cost of specialty drugs for the year	$\$120 \times 2 \times 12 = \$2,880$
Total out-of-pocket cost of prescriptions for the year	\$6,120

Iwana pays the full \$6,120 because they haven't hit the \$7,500 medical out-of-pocket maximum.



Iwana is enrolled in MPDP for 2026.

This includes the **\$2,100 pharmacy out-of-pocket maximum**. Here's how their out-of-pocket costs change:

Cost of generics for the year	$\$10 \times 3 \times 12 = \360
Cost of Preferred brand name drugs for the year	$\$45 \times 3 \times 12 = \$1,620$
Cost of specialty drugs for the year	$\$75 \times 2 \times 12 = \$1,800$
Total out-of-pocket cost of prescriptions for the year	\$2,100

Even though Iwana's total is \$3,780 for the year, **they will only pay \$2,100** due to the pharmacy out-of-pocket maximum.



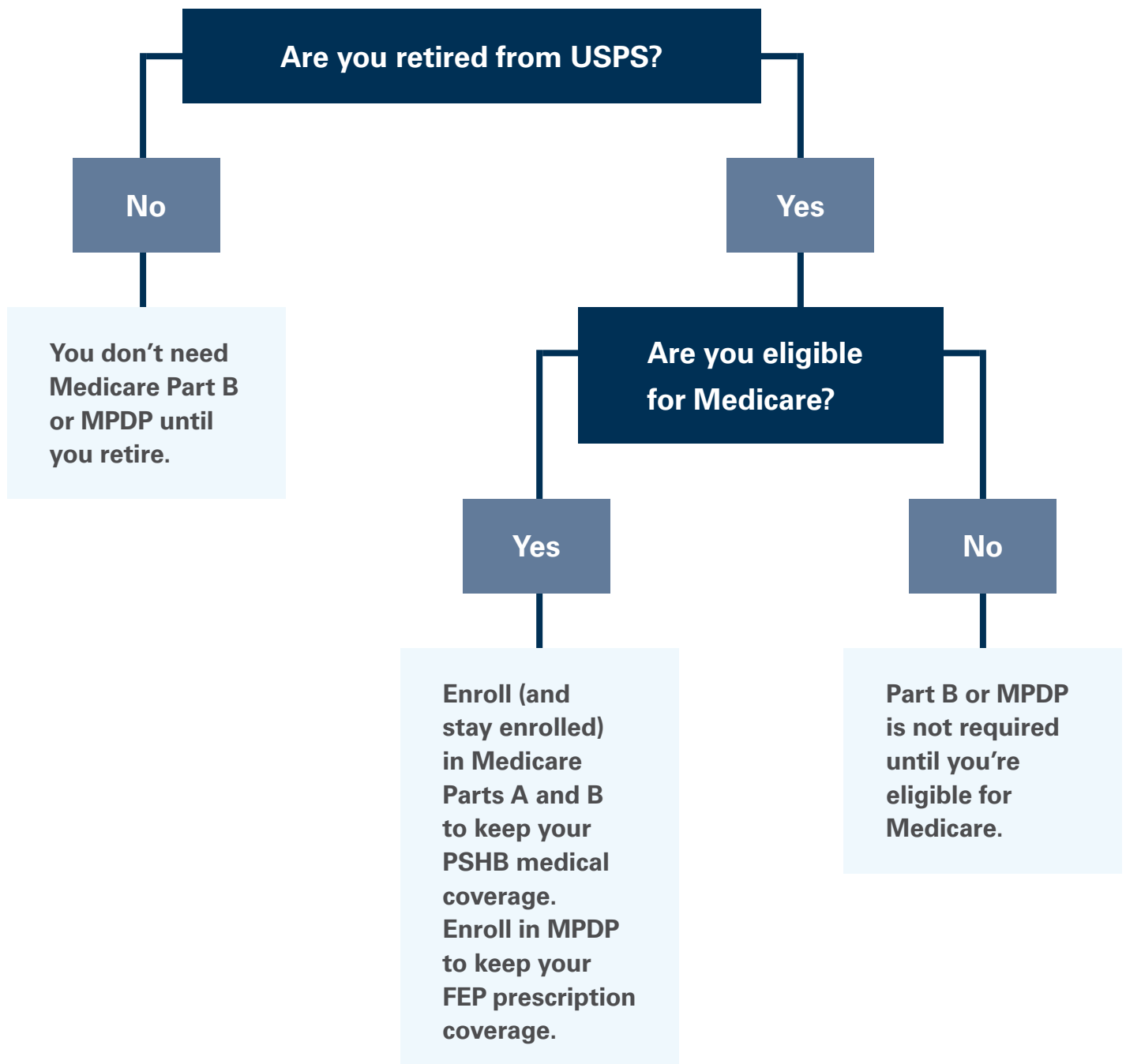
This means Iwana **will save over \$4,020 annually with the MPDP prescription benefit** compared to what they pay without it.

Enrolling in MPDP as a PSHB member

If you are already enrolled in MPDP, your enrollment will carry over into next year. If you are newly eligible for MPDP, we will send you a letter that automatically enrolls you in the program. You don't need to do anything.

As a requirement of PSHB, most USPS retirees and eligible family members will need to enroll and/or stay enrolled in Medicare Part B and Part D. See the chart below for the enrollment rules.

Medicare Part B and Part D enrollment rules



Exceptions to Part B and Part D enrollment

There are a few exceptions to the Part B and Part D requirements:

- Overseas members
- Retirees enrolled in VA benefits
- Members eligible for Indian Health Services Benefits

You may need to show proof of eligibility for these exceptions to OPM.



If these exceptions do not apply, you must enroll in MPDP to have FEP prescription drug coverage. Opting out will remove your drug benefits.



What to know about the Medicare Part D late enrollment penalty

If you decide not to enroll in MPDP, you need to enroll in a different plan that has **creditable coverage** to Part D coverage. This means that the coverage you receive is similar in value to the coverage you would receive from a Medicare Part D plan. If you're not enrolled in a Part D plan or a creditable coverage plan, **you will not have prescription drug coverage**. You will also pay a penalty if you decide to enroll in Part D later. **The penalty is 1% per month or 12% per each year you don't have coverage**. CMS adds this to a national base premium amount, which changes each year. In 2025, the national base premium amount is \$36.78.

Check in late 2025 or throughout 2026 for 2026 cost information.

Getting your prescriptions is easy

You can order prescription refills at one of our 65,000+ in-network (Preferred) retail pharmacies or through the FEP Mail Service Pharmacy.

What about specialty? Specialty drugs are tier 4 drugs with MPDP. Depending on how the drug is dispensed, you can buy specialty drugs via retail or mail.

See what you'll pay with the FEP Prescription Drug Cost Tool

We have an easy-to-use tool where you can type in your specific prescription(s) and see what it will cost. You can also compare the cost to what you would pay under the traditional FEP pharmacy benefit. Use the tool at fepblue.org/medicarerx.



To download the full formulary for your plan, visit fepblue.org/medicarerx.



Understanding your prescription drug coverage while overseas

Medicare is a health insurance program sponsored by the federal government for members in the U.S. **If you are enrolled in MPDP and you travel overseas, you will not be able to purchase medications outside of the U.S.**

If you travel outside of the U.S. for an extended period, we recommend you stock up on a large supply of your medicine before you leave. If you're going to be gone more than 90 days, call us at **1-888-338-7737** (TTY: 711) for assistance.

Understanding the Medicare Prescription Payment Plan

If you have high prescription drug costs, you may benefit from the Medicare Prescription Payment Plan. This program may help better manage your Medicare Part D prescription drug costs by allowing you to spread your out-of-pocket costs across the calendar year (January-December). You'll get a monthly bill for your prescription drugs directly from FEP instead of paying at the pharmacy.

Your monthly bill is based on:

The prescription drugs filled that month



Your previous month's balance



The number of months left in the plan year



To learn more or sign up for the Medicare Prescription Payment Plan, visit fepblue.org/medicarepayment or call **1-888-338-7737**.

Understanding the Medication Therapy Management Program

If you're eligible for MTM, a pharmacist will work with you to review the medicines you currently take. You can ask the pharmacist any questions you have about your prescriptions or discuss if you're having any problems with any of the medicines you're taking.

After the review, the pharmacist will provide you with recommendations on how to get the best results from your medicines. You'll also get a medicine list so you can easily see:



All the medicines you're taking



The proper amounts to take



When you should take your medicines



Proper disposal instructions

Understanding IRMAA and how it affects your Medicare premium

MPDP is already included as part of your current FEP premium. If your income is above a certain level, you'll pay an Income-Related Monthly Adjustment Amount (IRMAA), which applies to any Medicare Part D program. Since Part D is required under PSHB, choosing a different plan would mean paying an extra premium on top of your FEP coverage and will likely cost more than staying with MPDP.

To learn more, visit [medicare.gov](https://www.medicare.gov).



How to manage your prescription drug benefits with MyBlue®

If you have a MyBlue account, you can keep track of all your prescription drug benefits. Here are some of the things you can do with your account:

 <p>Get access to specially trained pharmacists and nurses 24/7</p>	 <p>Set up automatic refill reminders for all retail and mail prescriptions</p>	 <p>Set communication preferences (if you prefer email or text)</p>	 <p>Order refills online</p>
 <p>Check order status and track shipments*</p>	 <p>View safety checks to help prevent interactions with other drugs and products</p>	 <p>View FEP Mail Order status and drug history**</p>	 <p>View your claims information</p>



Visit [fepblue.org/myblue](https://www.fepblue.org/myblue) to sign in or to register for your account.

If you have questions about MPDP prescription drug coverage, call **1-888-338-7737 (TTY: 711)**.



HERE FOR YOU



Explore the interactive version of this booklet and others online at fepblue.org/flipbooks.

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fepblue.org/medicarerx

This is a summary of the features of the Blue Cross and Blue Shield Service Benefit Plan. For a full description of benefits, please read the Postal Service Health Benefits Program brochures (FEP Blue Standard and FEP Blue Basic: RI 71-020; FEP Blue Focus: RI 71-025). All benefits are subject to the definitions, limitations and exclusions set forth in the brochures.

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The FEP Medicare Prescription Drug Program is a prescription drug plan with a Medicare contract. Enrollment in MPDP depends on contract renewal.

*The formulary and/or pharmacy network may change at any time.
You will receive notice when necessary.*

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