

Get to know the
**FEP MEDICARE PRESCRIPTION
DRUG PROGRAM**



**Here to help you save on
the prescriptions you need
That's the Benefit of Blue.®**

  **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.

If you're a retired USPS employee enrolled in FEP's Postal Service Health Benefits (PSHB) coverage, MPDP is **required** in order to have FEP pharmacy benefits.

For retired federal employees enrolled in FEP's Federal Employees Health Benefits (FEHB) coverage, while not required, we still encourage you to enroll in MPDP. We hope this booklet shows you why.

Eligibility

You are eligible for MPDP if you are:



An FEP member



Eligible for Medicare Part A



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

Features

With MPDP, you:



Continue to receive the same FEP health plan benefits you're used to



Have more approved prescription drugs than the traditional FEP pharmacy benefit



Get lower out-of-pocket costs for higher-cost drugs



Have a \$2,000 cap on the amount you pay out-of-pocket on prescriptions annually



Don't pay a separate FEP premium for your prescription drug coverage

*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**.*

Drug tiers

MPDP has four drug tiers:

**Tier 1:
Generic
drugs**

**Tier 2:
Preferred
brand name**

**Tier 3:
Non-preferred
brand name**

**Tier 4:
Specialty
drugs**

Your MPDP benefits compared to your benefits without Medicare

FEP Blue Focus [®] Pharmacy Benefits		
Benefit	Traditional FEP Pharmacy Benefit	FEP Medicare Prescription Drug Program
In-network Retail Pharmacy <i>(for a 30-day supply)</i>	Tier 1: \$5 copay Tier 2: 40% of our allowance (\$350 max)	Tier 1: \$5 copay Tier 2: 40% of our allowance (\$350 max) Tier 3: 40% of our allowance (\$350 max) Tier 4: 40% of our allowance (\$350 max)
FEP Mail Service Pharmacy <i>(for a 90-day supply)</i>	Not a benefit	Not a benefit
FEP Specialty Pharmacy <i>(for a 30-day supply)</i>	Tier 2: 40% of our allowance (\$350 max)	Your specialty drug benefits are in Tier 4 (see above)
Annual Pharmacy Out-of-Pocket Max	Not a benefit	NEW \$2,000 per member

FEP Blue Basic [™] Pharmacy Benefits		
Benefit	Traditional FEP Pharmacy Benefit	FEP Medicare Prescription Drug Program
In-network Retail Pharmacy <i>(for a 30-day supply)</i>	Tier 1: \$15 copay Tier 2: \$75 copay Tier 3: 60% of our allowance (\$90 min) Tier 4: \$120 copay Tier 5: \$200 copay	Tier 1: \$10 copay Tier 2: \$45 copay Tier 3: 50% of our allowance (\$60 min) 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: \$120 copay Tier 5: \$200 copay	Your specialty drug benefits are in Tier 4 (see above)
Annual Pharmacy Out-of-Pocket Max	Not a benefit	NEW \$2,000 per member

FEP Blue Standard™ Pharmacy Benefits

Benefit	Traditional FEP Pharmacy Benefit	FEP Medicare Prescription Drug Program
In-network Retail Pharmacy <i>(for a 30-day supply)</i>	Tier 1: \$7.50 copay Tier 2: 30% of our allowance Tier 3: 50% of our allowance Tier 4: 30% of our allowance Tier 5: 30% of our allowance	Tier 1: \$5 copay Tier 2: \$35 copay NEW Tier 3: 50% of our allowance Tier 4: \$60 copay
FEP Mail Service Pharmacy <i>(for a 90-day supply)</i>	Tier 1: \$15 copay Tier 2: \$90 copay Tier 3: \$125 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: \$65 copay Tier 5: \$85 copay	Your specialty drug benefits are in Tier 4 (see above)
Annual Pharmacy Out-of-Pocket Max	Not a benefit	\$2,000 per member



What is an out-of-pocket maximum?

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 allowances. 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 **\$2,000** 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**.

Let's see an example of how the out-of-pocket maximum works



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.

Different cost shares may apply to FEHB members with Medicare Part B primary enrolled in the traditional FEP pharmacy benefit.



Iwana decides to enroll in MPDP in 2025.

This includes the **\$2,000 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	\$2,000

Even though Iwana's total is \$3,780 for the year, **they will only pay \$2,000** due to the pharmacy out-of-pocket maximum.



This means, compared to what Iwana is paying now, **they will save over \$4,120 annually with the MPDP prescription benefit.**

Enrolling in MPDP as an FEHB member

MPDP is open to any FEHB member* who is eligible for Medicare coverage living in the U.S. or a U.S. territory.

If you are currently enrolled in MPDP

Your enrollment will continue into next year—you don't need to do anything. The one change in your coverage is that your prescription drug out-of-pocket maximum will not count toward your overall medical out-of-pocket maximum as it does today. Since you have Medicare, we waive your medical out-of-pocket costs, so unless something were to happen where you exhaust your Medicare hospital benefits, you wouldn't pay medical out of pocket costs anyway.

If you become newly eligible for MPDP during 2024

We will send you a letter in November 2024 describing our automatic enrollment process for MPDP. We will enroll you in the benefit as long as you do not contact us saying that you do not want to be enrolled. Once your enrollment is confirmed, we will send you a new member ID card.

If you opted out or disenrolled from MPDP in 2023 or 2024

We encourage you to take another look at MPDP for 2025. If you decide you want to enroll, you can download the MPDP enrollment form at fepblue.org/medicarerx or call **1-888-338-7737** (TTY: 711). You can enroll at any time.

If you become newly eligible for MPDP in 2025

You can enroll in MPDP at any time by filling out the enrollment form or calling **1-888-338-7737** (TTY: 711). If you do not enroll prior to October 1, 2025, you will be included in the automatic enrollment process in October or November 2025.

If you choose not to enroll in MPDP

FEP FEHB members can choose to opt out and/or disenroll from MPDP. If you do, you will be placed in the traditional FEP pharmacy benefit. Before you disenroll, we encourage you to carefully review the benefits of MPDP. If you disenroll and decide you want to reenroll in MPDP later, you can reenroll once every benefit year.

**Per Medicare requirements, you can only be enrolled in one Medicare Part D plan. If you are currently enrolled in a different Part D plan or Medicare Advantage Plan, enrolling in MPDP will disenroll you from that Plan.*



To learn more about MPDP enrollment and eligibility, visit fepblue.org/medicarerx or call **1-888-338-7737** (TTY: 711).

Enrolling in MPDP as a PSHB member

FEP is excited to offer coverage to USPS employees, retirees and their families in the new Postal Service Health Benefits (PSHB) Program. **PSHB coverage begins January 1, 2025.**

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

If you are a:	And you are:	Part B is required to have PSHB coverage	MPDP is required to have FEP prescription drug coverage
USPS retiree or spouse on or before 12/31/24	Enrolled in Medicare Part B on 1/1/25	✓	✓
USPS retiree or spouse on or before 12/31/24	Not enrolled in Medicare Part B on 1/1/25	✗	✓
Actively working USPS employee or spouse	64 or older on 1/1/25	✗	Not until you're retired
Actively working USPS employee or spouse	Under 64 on 1/1/25	Not until you're retired	Not until you're retired

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.

Enrollment process

If you are a retiree on a USPS contract prior to the start of 2025, **FEP will automatically enroll you in the PSHB version of MPDP starting in November 2024.** Your PSHB MPDP coverage will be effective on January 1, 2025.



All members will receive an official enrollment letter to tell you we will enroll you in the PSHB MPDP if we don't hear from you within the opt-out period.



Please know that if you opt out or disenroll from MPDP, you will no longer have any prescription drug benefits with FEP. This is a change from if you previously opted out of the FEHB version of MPDP. 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 previous page). **If these exceptions do not apply, we do not recommend opting out.**

If you are currently enrolled in the FEHB version of MPDP

You may receive a notification from CMS disenrolling you from the FEHB version of MPDP. **Don't be alarmed by this letter—it will not impact your prescription drug coverage for 2024.** We are required to send it based on CMS guidelines since we are enrolling you in the "new" MPDP version of the benefit for 2025. Going forward, your MPDP coverage will carry over year-over-year.

Even though you will be moved to a "new" MPDP, you will receive the same benefits as a PSHB MPDP member as you would if you are enrolled in the FEHB benefit.

If you retire from the U.S. Postal Service after December 31, 2024

Once you become a USPS retiree, we will send you a letter automatically enrolling you in MPDP unless you are eligible for an exception (see previous page).



How to get your prescriptions

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

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.

Know if your drug is covered and what it costs

You can use the FEP Prescription Drug Cost tool at fepblue.org/medicarerx to look up your specific drug(s) and how much it will cost at local pharmacies or the FEP Mail Service Pharmacy. If you're a current member, you can also log in to your MyBlue® account to use the Personalized Drug Cost Tool. This tool will show you the cost of your current prescription drugs for your specific plan.



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

Note about overseas prescription drug coverage

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.



Medicare Prescription Payment Plan

If you have high prescription drug costs, you may benefit from a new program to help you manage your Medicare Part D prescription drug costs. Signing up for the Medicare Prescription Payment Plan allows you to spread your out-of-pocket prescription drug costs across the calendar year (January-December). **Instead of paying your pharmacy directly, FEP will send you a bill each month separate from your FEP health plan premium.** Your monthly bill is based on the Part D prescription drugs filled that month, plus your previous month's balance divided by 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. You can also call **1-888-338-7737**.



What is an IRMAA?

MPDP is included as part of your current FEP premium. However, if you are above a certain income level, you will pay an **Income-Related Monthly Adjustment Amount (IRMAA)** to Social Security. Your IRMAA is a cost that's added to your monthly Medicare Part B and Part D premiums based on your annual income.

Most FEP members will not reach the threshold to pay an IRMAA.

To learn more, visit medicare.gov.

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



That's the Benefit of Blue.®

@fepblue



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This is a summary of the features of the Blue Cross and Blue Shield Service Benefit Plan. Before making a final decision, please read the Plan's Federal Employees Health Benefits Program brochures (FEP Blue Standard and FEP Blue Basic: RI 71-005; FEP Blue Focus: RI 71-017) and 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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