



BlueCross BlueShield  
of North Carolina

# MEDICARE

October 2024

## Medicare Part D Overhaul: What's New in 2025 for Your Prescription Drug Costs?

Please note, this communication applies to Healthy Blue + Medicare<sup>SM</sup> (HMO-POS D-SNP) offered by Blue Cross and Blue Shield of North Carolina.

### At a Glance:

- Significant Medicare Part D updates in 2025 include a \$2,000 out-of-pocket cap and elimination of the coverage gap.
- Enhanced benefits will remove cost-sharing in catastrophic coverage and expand low-income subsidies to 150% of the federal poverty level (FPL).
- The Medicare Prescription Payment Plan (M3P) will allow members to spread out prescription costs over the year for added financial flexibility.
- As we approach 2025, significant enhancements are coming to Medicare Part D. These changes will streamline benefits, offer additional financial protections, and provide new options for managing out-of-pocket prescription drug costs. Our goal is to keep you informed and well-prepared to navigate these updates, ensuring you can effectively manage your healthcare needs.

### What's Changing in 2025?

#### Changes in deductible and out-of-pocket thresholds

In 2024, the standard deductible was \$545 with the initial coverage limit at \$5,030, and the catastrophic coverage threshold was \$8,000. By 2025, the deductible will increase to \$590, and members will enter the catastrophic phase when their out-of-pocket expenditure reaches \$2,000. Members might see higher upfront costs due to the increased deductible, but reaching catastrophic coverage will be significantly easier, offering greater financial protections much sooner.

#### Elimination of the Coverage Gap (donut hole)

The elimination of the coverage gap will simplify the benefit structure. Previously, beneficiaries paid 25% of the cost of both brand-name and generic drugs in the coverage gap. The full elimination of this gap will remove the phase where members faced higher out-of-pocket costs, reducing financial uncertainty and streamlining the benefits process.

<https://www.bluecrossnc.com/providers/networks-programs/blue-medicare/healthy-blue-medicare>

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NCBCBS-CR-067656-24-CPN65205 September 2024

### **Introduction of a \$2,000 Out-Of-Pocket Cap**

In 2025, after reaching the \$2,000 out-of-pocket cap, members will no longer have to pay added costs for their medications for the remainder of the year. This offers financial protection and predictability in managing healthcare expenses, helping those with high prescription drug costs.

### **Elimination of Cost-Sharing in Catastrophic Coverage**

While in 2024, members had to pay 5% of drug costs after reaching the out-of-pocket threshold — This requirement will lift entirely in the next year. This ensures complete coverage once members reach the catastrophic phase, removing the financial burden for members with extremely high drug costs.

### **Enhanced Low-Income Subsidy (LIS) Benefits**

We are also introducing enhanced LIS benefits, extending full benefits to individuals with incomes up to 150% of the FPL from the previous 135% FPL threshold. This change means more members will qualify for full LIS benefits — reducing their premiums, deductibles, and copayments, which improves access to necessary medications for low-income beneficiaries.

### **Introduction of the Medicare Prescription Payment Plan (M3P)**

M3P allows members to manage their out-of-pocket Medicare Part D drug costs by spreading the total sum of their filled prescription costs across the calendar year. This option is voluntary, free to enroll, and members can choose to participate at any point during the year. Instead of paying at the pharmacy, members will receive a bill from their health or drug plan to pay for their prescription drugs each month, offering greater financial flexibility and predictability.

### **Action Plan and Resources**

To ensure a smooth transition, we've laid out a comprehensive educational and communication strategy:

- **Information campaign:** As of July 2024, we began an extensive marketing and educational campaign, including public relations efforts, direct member communications, and provider briefings.
- **Training and support:** We are providing training materials, talking points, and FAQ to our support teams, ensuring they are well-prepared to assist you.

### **Key Dates:**

- October 15, 2024: Enrollment in M3P begins
- January 1, 2025: All other M3P requirements become effective

### **Next Steps:**

- Providers should stay up to date and make use of the resources we provide to better assist patients. Staying updated on any changes in the formulary and benefit structures will ensure that you can provide the highest quality care possible.

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- Members should keep an eye out for detailed communications about their enhanced Medicare Part D coverage. Members can contact our support team for personalized assistance.

### Contact Us

Availity **Chat with Payer** is available during normal business hours. Get answers to your questions about eligibility, benefits, authorizations, claims status, and more. To access Availity Essentials, go to [Availity.com](https://www.availity.com) and select the appropriate payer space tile from the drop-down. Then, select **Chat with Payer** and complete the pre-chat form to start your chat.

For additional support, call Provider Services at 833-540-2106 or visit the *Contact Us* section of our provider website at [bluecrossnc.com/providers/networks-programs/blue-medicare/healthy-blue-medicare](https://www.bluecrossnc.com/providers/networks-programs/blue-medicare/healthy-blue-medicare) for the appropriate contact.

As we move into 2025, our goal is to provide you with the knowledge and resources needed to maximize the new Medicare Part D benefits. Thank you for trusting us to help manage your healthcare needs.