Helping Medicare Beneficiaries Understand the Medicare Prescription Payment Plan

Paying for prescriptions can be hard and some people have high drug costs at the start of the year while still having bills to pay each month. The Medicare Prescription Payment Plan may help people with Medicare manage their drug costs. It lets them spread out what they owe for covered prescriptions over the rest of the calendar year. When a beneficiary fills a prescription for a drug covered by Part D, they won't pay the pharmacy but instead will get a bill each month from their health or drug plan.

What to know:

- **It's voluntary:** Beneficiaries can choose whether or not to enroll.
- **It does not lower drug costs:** Beneficiaries still pay the same amount for their covered prescriptions; cost is spread over the remaining year.
- **Monthly bill may change:** The amount billed depends on that months drug cost, plus the previous month's balance and is divided by the remaining months of the year.
- **Beneficiaries can join at any time:** Keep in mind joining later in the year may provide less time to spread out costs.
- **This payment option may not be right if:**
    - Beneficiaries drug costs are low
    - Beneficiaries drug costs are the same each month
    - It is late in the year
    - Beneficiaries get or are eligible for Extra Help or Medicare Savings Program
- **Beneficiaries will need to call their plan to enroll**

How can you help?

- **Ask about drug costs:** Ask if the cost of prescriptions make it hard to pay other bills or buy needed drugs.

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- **Explain the payment plan:** Let beneficiaries know they would get a monthly bill for their covered prescriptions instead of paying the pharmacy. They will also need to pay their regular plan premium, if they have one.
- **Look for other ways to save money:** See if beneficiaries qualify for Extra Help, Medicare Savings Programs or Wisconsin SeniorCare.

To learn more about how the plan works and review examples visit Medicare.gov: Medicare Prescription Payment Plan.

Updates on the Medicare Outreach and Assistance Resources webpage:

Outreach and Education Resources:

- Educational Videos for Outreach
  - *Applying for Medicare with the Social Security Administration at SSA.gov*
  - *How to Choose Your Sign-in Account for "my Social Security"* by SSA
  - *How to Create Your Login.gov Account with SSA* by SSA
  - *How to Create Your ID.me Account with SSA* by SSA
- Open Enrollment Toolkit
  - Outreach Material
    - *CMS Medicare.gov Open Enrollment Timing and Limits FAQs 2026*
    - *Medicare Part D Costs Flyer (PDF)*
  - Tools for Professionals-OEP
    - *Wisconsin Landscape of Medicare Plans (Excel)*

Additional Resources:

- Print Resources
  - *Potential Referrals for Immigrants Losing Benefits Due to H.R.1*
- SHIP Quick Reference Tools
  - *ACL - MIPPA Logo*
  - *MIPPA Logo*
  - *SHIP - MIPPA Logo*
  - *SHIP Logo*
  - *SHIP-SMP-MIPPA Logo*
  - *MIPPA Branding Guidelines*

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SHIP State Health Insurance Assistance Program

Navigating Medicare