

Medicare FAQ's

Plan Overview

The Medicare Prescription Payment Plan (M3P) is a new payment option in the prescription drug law that works with your current drug coverage to help you manage your out-of-pocket Medicare Part D drug costs by spreading them across the calendar year (January-December). Starting in 2025, anyone with a Medicare drug plan or Medicare health plan with drug coverage (like a Medicare Advantage Plan with drug coverage) can use this payment option. **All Medicare plans with Part D drug coverage offer this payment option and participation is voluntary.**

If you select this payment option, each month you'll continue to pay your plan premium (if you have one), and you'll get a bill from us to pay for your prescription drugs (instead of paying the pharmacy). There's no cost to participate in the Medicare Prescription Payment Plan.

What to know before participating

How does it work?

When you fill a prescription for a drug covered by Part D, you won't pay your pharmacy (including mail order and specialty pharmacies). Instead, you'll get a bill each month from us.

Even though you won't pay for your drugs at the pharmacy, you're still responsible for the costs. If you want to know what your drug will cost before you take it home, call us using the number on your ID card or ask the pharmacist.

This payment option might help you manage your monthly expenses, but it doesn't save you money or lower your drug costs.

How is my monthly bill calculated?

Your monthly bill is based on what you would have paid for any prescriptions you get, plus your previous month's balance, divided by the number of months left in the year. All plans use the same formula to calculate your monthly payments. Your payments might change every month, so you might not know what your exact bill will be ahead of time. Future payments might increase when you fill a new prescription (or refill an existing prescription) because as new out-of-pocket costs get added to your monthly payment, there are fewer months left in the year to spread out your remaining payments.

In a single calendar year (January – December), you'll never pay more than:

- The total amount you would have paid out of pocket to the pharmacy if you weren't participating in this payment option.
- The Medicare drug coverage annual out-of-pocket maximum (\$2,000 in 2025).

Will this help me?

It depends on your situation. **Remember, this payment option might help you manage your monthly expenses, but it doesn't save you money or lower your drug costs.**

You're most likely to benefit from participating in the Medicare Prescription Payment Plan if you have high drug costs earlier in the calendar year. Although you can start participating in this payment option at any time in the year, starting earlier in the year (like before September),

gives you more months to spread out your drug costs. Go to [Medicare.gov/prescription-payment-plan/will-this-help-me](https://www.Medicare.gov/prescription-payment-plan/will-this-help-me) to answer a few questions, and find out if you're likely to benefit from this payment option.

This payment option may not be the best choice for you if:

- Your yearly drug costs are low.
- Your drug costs are the same each month.
- You're considering signing up for the payment option late in the calendar year (after September).
- You don't want to change how you pay for your drugs.
- You get or are eligible for Extra Help from Medicare.
- You get or are eligible for a Medicare Savings Program.
- You get help paying for your drugs from other organizations, like a State Pharmaceutical Assistance Program (SPAP), a coupon program, or other health coverage.

Who can help me decide if I should participate?

- **Review the information on our website** at [FirstMedicare.com/M3P](https://www.FirstMedicare.com/M3P) or call us using the number on your ID card to get more information. If you need to pick up a prescription urgently, please call us to discuss your options.
- **Medicare:** Visit [Medicare.gov/prescription-payment-plan](https://www.Medicare.gov/prescription-payment-plan) to learn more about this payment option and if it might be a good fit for you.
- **State Health Insurance Assistance Program (SHIP):** Visit [shiphelp.org](https://www.shiphelp.org) to get the phone number for your local SHIP and get free, personalized health insurance counseling.

How do I sign up?

You can enroll in the program by logging into your Hally account [here](#). You can also enroll over the phone using the number on your ID card or by mail.

Remember, this payment option may not be the best choice for you if you sign up late in the calendar year (after September). This is because as new out-of-pocket drug costs are added to your monthly payment, there are fewer months left in the year to spread out your payments.

What to know if I'm participating?

What happens after I sign up?

Once FirstMedicare Direct reviews your participation request, we will send you a letter confirming your participation in the Medicare Prescription Payment Plan. Then:

1. When you get a prescription for a drug covered by Part D, we will automatically let the pharmacy know that you're participating in this payment option, and you won't pay the pharmacy for the prescription.

Even though you won't pay for your drugs at the pharmacy, you're still responsible for the costs. If you want to know what your drug will cost before you take it home, call us using the number on your ID card or ask the pharmacist.

2. Each month, we will send you a bill with the amount you owe for your prescriptions, when it's due, and information on how to make a payment. You'll get a separate bill for your monthly plan premium (if you have one).

How do I pay my bill?

After we approve your participation in the Medicare Prescription Payment Plan, you'll get a letter with information about how to pay your bill.

What happens if I don't pay my bill?

You'll get a reminder from FirstMedicare Direct if you miss a payment. If you don't pay your bill by the date listed in that reminder, you'll be removed from the Medicare Prescription Payment Plan. You're required to pay the amount you owe, but **you won't pay any interest or fees, even if your payment is late.** You can choose to pay that amount all at once or be billed monthly. If you're removed from the Medicare Prescription Payment Plan, **you'll still be enrolled in your Medicare health or drug plan.**

Always pay your health or drug plan monthly premium first (if you have one), so you don't lose your drug coverage.

Call FirstMedicare Direct using the number on your ID card if you think they made a mistake about your Medicare Prescription Payment Plan bill. If you think they made a mistake, you have the right to follow the grievance process found in your Member Handbook or Evidence of Coverage.

How do I leave?

You can leave the Medicare Prescription Payment Plan at any time by contacting FirstMedicare Direct. Leaving won't affect your Medicare drug coverage and other Medicare benefits. Keep in mind:

- If you still owe a balance, you're required to pay the amount you owe, even though you're no longer participating in this payment option.
- You can choose to pay your balance all at once or be billed monthly.
- You'll pay the pharmacy directly for new out-of-pocket drug costs after you leave the Medicare Prescription Payment Plan.

What happens if I change my health or drug plans?

If you leave your current plan or change to a new Medicare drug plan or Medicare health plan with drug coverage (like a Medicare Advantage Plan with drug coverage), your participation in the Medicare Prescription Payment Plan will end.

Contact your new plan if you'd like to participate in the Medicare Prescription Payment Plan again.

Where can I get more information?

You can visit [FirstMedicare.com/M3P](https://www.firstmedicare.com/M3P), by calling FirstMedicare Direct using the number on your ID card or by contacting Medicare by visiting [Medicare.gov/prescription-payment-plan](https://www.Medicare.gov/prescription-payment-plan), or call 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week. TTY users can call 1-877-486-2048.

Health Plan FAQ's

Will opting into the program change anything about my pharmacy benefits?

No, total out-of-pocket prescription drug costs, including deductibles, copayments and coinsurance associated with the pharmacy benefit, will not change because of the program. The only difference is how and when you pay for your prescription drug costs (which become monthly payments to the plan instead of at-the-time-of-sale payments to the pharmacy).

Does this program have a different pharmacy network?

No, with this program you can use the same in-network pharmacies.

What happens if I switch pharmacies during the year?

If you switch pharmacies to another in-network pharmacy, the program remains in effect, and you continue paying your monthly cost-sharing amount. You may also switch back to your prior in-network pharmacy at any time during the year and the program will remain in effect.

Will the program work if I get my prescriptions through mail order?

Yes, when they process your prescription, they will receive information from your Medicare Advantage plan or prescription drug plan (whichever plan you're enrolled in) that lets them know you are enrolled in the program.

Are individuals in the Extra Help program eligible to participate in the Medicare Prescription Payment Plan?

Yes, plans must provide all Part D enrollees with the option to opt into M3P, including those in the Extra Help program. Individuals facing high cost-sharing earlier in the plan year are more likely to benefit from M3P.

Do I have to pay all outstanding drug costs before the end of the plan year, or can I carry it over to the next year?

Regardless of when you sign up during the plan year, all M3P enrollees must settle any outstanding prescription costs by the end of the plan year (12/31).

Does the M3P start over?

M3P runs on the plan-year basis, January through December. It starts over each year in January. You do not need to reenroll in M3P, your participation in the program will continue unless you terminate your participation through your plan.