

Quick facts: Making UMP Classic Medicare more affordable

The Health Care Authority (HCA) hosted several retiree listening sessions in 2023 to ask for feedback about retiree plans and benefits. PEBB retirees expressed the importance of preserving UMP Classic Medicare as a plan option for PEBB Medicare retirees. They also shared concerns that the premium is becoming too costly.

In response, HCA has explored ways to make the plan more affordable while maintaining high-quality benefits and coverage.

An option to help reduce 2025 premiums by transitioning the pharmacy coverage from creditable drug coverage to a Medicare Part D plan is being discussed with the PEB Board with a decision needed by the PEB Board in April; if the Board does not act by April, UMP Classic Medicare enrollees are likely to experience premium increases similar to those occurring in the past two years. Details on the Part D option are available in this [video presentation](#).

Pharmacy transition to Part D plan

Advantages

- Offers greatest premium savings for members
- Takes advantage of federal subsidies and drug discounts
- Provides pharmacy coverage very similar to the UMP's current coverage
- Part D is regulated by Medicare
- Moda would continue to be plan administrator
- Plan would be embedded in the single UMP Classic Medicare offering
- Medical coverage would not change
- Member experience would be virtually the same

Cost-share structure comparison

- Part D deductible is the same as current UMP deductible (\$100 deductible)
- Part D out-of-pocket maximum (\$2,000) is the same as current UMP
- Vast majority of prescriptions filled through Part D would have the same or lower cost share compared to UMP
- Over 90% of total prescriptions for UMP Medicare retirees were generics. Most of these would be covered at \$0 under the Part D plan, representing the elimination of a cost Medicare retirees currently pay when filling a generic prescription.
- Members would save on preferred brand medications under the Part D plan
- Members who use high-cost specialty medication (~1-2% of total UMP Medicare retiree prescriptions) may have a \$15/month higher cost share
- Many non-preferred drugs that are not covered by UMP today would be covered by the Part D plan (~1% of total UMP Medicare retiree prescriptions)

Specific frequently prescribed drug coverage questions

Based on an analysis completed in October 2023, 98.2% of prescriptions filled by UMP retirees would have been covered if the plan coverage had been a Part D formulary. Remember, formularies can change at any time including for the current UMP Classic Medicare.

All the following frequently prescribed drugs for UMP retirees would continue to be covered and the current cost share a retiree pays when filling the prescription would be reduced to \$0:

- Levothyroxine, Lisinopril, Amlodipine, Losartan, Metoprolol, Gabapentin, Hydrochlorothiazide, Tamsulosin, Metformin, Furosemide, Trazodone, Carvedilol, Latanoprost, Allopurinol, Alendronate, and Escitalopram

The following frequently prescribed drugs for UMP retirees would continue to be covered *and* there would be no copay just like a retiree experiences today:

- Atorvastatin, Rosuvastatin, Simvastatin, and Pravastatin

Examples of preferred brand (non-specialty) drugs, which many UMP Classic Medicare retirees take today, that would continue to be covered *and* would drop by up to \$40 for 30 days:

- Eliquis, Ozempic, Jardiance, Xarelto, Farxiga, Entresto, Trelegy Ellipta, and Tradjenta

There are a few differences under a Part D formulary among the most frequently prescribed drugs for UMP Medicare retirees. The biggest difference, with the largest impact identified by HCA would be a required switch from Basaglar (insulin glargine) to Lantus (insulin glargine) for insulin coverage. These drugs have the same active ingredient, delivery method and dosage, and many members who use insulin have used both at some point in their lives, so the impact of this switch could be minimal.

Who can I contact with questions?

Send questions to UMPQuestions2024@hca.wa.gov.