



Medicare Part D: Why Open Enrollment Is Important ... Even If You Have a Plan

It's that time – Medicare open enrollment runs from October 15 to December 7. The plans or changes you choose will take effect on January 1, 2026. This is an important opportunity to ensure you have the best possible plan to cover your conditions, illnesses, medications, and other health care needs. You may be getting bombarded with information about different plans, touting their benefits. It can be confusing and leave you with lots of questions. Fortunately, we have some answers.



Back to Basics

Like the pieces of a puzzle, there are different parts of Medicare:

- ✓ **Traditional Medicare (Parts A and B).** Part A is hospital insurance, which helps cover inpatient hospital care, limited skilled nursing facility care (the first 100 days if medically necessary, particularly after a hospital stay; after that, it is necessary to have Medicaid), and some hospice and home health care. Part B is medical insurance that helps cover services from physicians and other health care providers, outpatient care, home health care, durable medical equipment (such as walkers, wheelchairs, and hospital beds), and preventive services like vaccines, certain screenings, and yearly wellness visits.
- ✓ **Medicare Part D.** This helps pay for prescription medications. A common misperception is that you automatically get Medicare Part D, the prescription drug benefit, when you sign up for traditional Medicare (Parts A and B). In truth, while Part D is offered to everyone who enrolls in traditional Medicare, you must sign up for it or enroll in a Medicare Advantage or other Medicare health plan that offers prescription drug coverage; and you must live in the plan's service area. While it's possible to get Part D coverage later if you decline it initially, there likely will be a late enrollment penalty added to your monthly premium.
- ✓ **Medicare Advantage (Part C).** A Medicare Advantage (MA) plan involves a private company that is Medicare-approved to offer an alternative to traditional Medicare. MA plans provide health care services and drug coverage, much like traditional Medicare, but generally have different out-of-pocket costs, including copays for medical services and medications. Most MA plans also offer some benefits – such as vision, hearing, dental, and fitness benefits – not offered by traditional Medicare.



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Open Enrollment: Be Open to Options

You become eligible for Medicare Part D when you sign up for Medicare, usually when you turn 65. However, the open enrollment period is important because during that time, it is possible to join, switch, or drop a plan without penalty. If you do not enroll in Part D initially, you will face a late enrollment penalty when signing up during the open enrollment period. It is important to use this period as an opportunity to review your plan options, even if you've been satisfied with your plan. Drug plans can change, including their formularies (the list of medications they cover) and what costs such as copays are involved; and it is important to understand the cap – the most a person with Part D coverage would pay for medications that are in the plan's formulary and obtained through an in-network pharmacy.

Diane Omdahl, RN, MS, an educator and the author of *Medicare for You: A Smart Person's Guide*, said, "Since the implementation of the Inflation Reduction Act, the cap on drug costs will be \$2,100 next year, up from \$2,000. As a result, plans are having to absorb significant costs." Because of this, she observed, it will be important to watch for changes that could impact coverage and the ability to get the medications you need to manage your conditions at an affordable cost.

Omdahl noted that some companies are dropping out of Part D and out of Medicare Advantage plans in several states. Because of this, it is important to know what's happening in your state. She also stressed that it's essential to pay attention to the mailings you receive from your current Part D or Medicare Advantage company (if you have one) and carefully review any changes. She said, "If your annual notice of changes says your plan is going away next year, you will need to pick a new plan. If you fail to do so during the open enrollment period, you will be automatically enrolled in another plan, which could have a much higher premium. We've received calls from people who weren't paying attention and found their premiums jumped substantially." Omdahl stressed, "Those notices are coming out now. Be sure to open and read them carefully."

Changes on the Horizon

In addition to the increase to the out-of-pocket threshold, watch for several key changes to Medicare Part D for the coming year:

- ✓ **Deductible increase from \$590 to \$615 in 2026.** This means you will have to pay a bit more out-of-pocket before your coverage kicks in. Plans can charge any amount from \$0 to the maximum. Plans also determine which medications are subject to the deductible.
- ✓ **Negotiated prices.** The federal Medicare Drug Price Negotiation Program allows the government to negotiate prices for some high-cost medications, including some treatments for diabetes, heart failure, and peripheral artery disease. The prices for the first 10 drugs negotiated as part of this program will take effect on January 1, 2026. Additional medications will be added each year.



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What You Need to Know

Whether you are new to a Part D plan or have one you're happy with, it is important to get updated information during open enrollment. Some tips to help you navigate this period:

- ✓ It is essential to have a current and complete list of the medication you take and their costs under your plan. It is also useful to anticipate what kinds of medications you might need in the near future because of recent diagnoses, injuries, or condition changes.
- ✓ Understand the process of prior authorization and what you can do if coverage for a particular medication is denied.
- ✓ Read all notices from your plan, including information about its formulary. The medications covered can change, and you don't want to miss any alerts or news about changes that may affect you.
- ✓ Talk to your physician or pharmacist if you have questions.
- ✓ There are many reliable resources to help you choose a plan that's right for you. These include: <https://www.medicare.gov/plan-compare>, <https://www.medicareplanfinder.com>, and <https://www.medicare.gov/health-drug-plans/part-d>.

Finding a Trusted Medicare Advisor

There are many insurance agents out there offering to help people choose a Medicare plan. Not all agents are created equal, and some may benefit from pushing one plan over another. Omdahl encouraged seeking specific information before working with anyone. She offered some red flags including agents who prioritize discussions about low monthly premiums and extra free benefits and/or talks about 'today only,' stressing that you can always change your coverage later. Instead, she suggested, it is important to find an agent who talks about topics like provider networks, medication formularies, and prior authorization.

PharMerica clients have instant access to a trusted Medicare advisor through its partnership with eHealth. With licensed agents in every state, eHealth represents 200 insurers nationwide with plan data that is updated in real-time. If you work with PharMerica, you can receive a no-cost, no-obligation plan review that you can trust by visiting www.ehealth.com/pharmericaflyer.

Partner with Your Pharmacist

Your pharmacist can also serve as a trusted partner, helping to ensure you have the medications you need, managing your medication regimen, and offering guidance. They can work with you to make sure you have a complete and current list of all your medications so you can accurately compare Part D plans. They can also help identify opportunities for alternatives that can save you money on out-of-pocket costs or that can replace a medication denied by your plan.



RESIDENT EDUCATION SERIES

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Want to Know More?

Here are a few resources:

- ✓ [Here's a Medicare Checklist for Your Parents \(And Maybe You, Too\)](#)
- ✓ [Let's Preview 2026 Medicare Part D Premiums, Costs: Prepare to Pay More](#)
- ✓ [Medicare Open Enrollment Fact Sheet 2025](#)
- ✓ [Pharmacy Benefits: Key to Health, Safety, and Adherence](#)