



Jenna Stearns, PharmD, December 2020

Let's Talk About Insurance

The Affordable Care Act helped millions of people get health insurance from their job or the government (Medicare and Medicaid). Insurance helps lower the cost of medications. If you have a high insurance deductible or do not have prescription insurance, you may have to pay full price for your medications. The cash price, or price without insurance, can differ between pharmacies. Your copay will usually be the same from between pharmacies unless your insurance prefers a certain pharmacy. It is important for you to be able to afford your medications so you can take them every day. ¹⁻⁴

What do all the insurance terms mean?¹⁻⁴

Term	Meaning
Brand name	The name of a medication given by the drug company.
Generic name	The name of the active ingredient of the medication. These are often less expensive than brand name medications.
Premium	The cost you pay each month for your insurance.
Commercial insurance	Insurance that is not government funded.
Government insurance	Medicaid – for patients with lower income that do not qualify for commercial insurance. Medicare – for patients 65 years and older or who qualify for disability.
Medicare Coverage Gap (“Donut Hole”)	Period of time where you will be responsible for up to 25% of the cost of your medications. As of 2024, Medicare insurance will cover 75% of the cost of your medications during this period until you have paid a certain amount out of pocket. After reaching that amount, insurance coverage will increase and your cost will decrease.
Deductible	The cost of the medications or appointments that you would need to pay before insurance will begin to cover the cost.
High Deductible Plan	A higher cost to meet per year, but lower cost per month (premium).
Low Deductible Plan	A lower cost to meet per year, but higher cost per month (premium).
Coinsurance	The percentage of cost that the insurance makes you pay after a deductible is met. • May not be the same for all medications or appointments
Copay	A set cost of a covered healthcare service (e.g., medication, office visit, etc.) after you’ve paid your deductible. • For example, if you have a \$25 copayment, you will pay \$25 for each fill of your medication.
Manufacturer Coupon	A coupon given by the drug company. Savings can sometimes be used with health insurance, but not usually government funded plans like Medicaid or Medicare
Prescription Savings Service	A company focused on saving money for medications (GoodRx, for example). Savings <u>cannot</u> be used with health insurance.
Third Party Discount Programs	Similar to a prescription savings service (AAA and AARP, for example). Savings <u>cannot</u> be used with health insurance.
Patient Assistance Programs	Financial assistance programs sponsored by drug companies to help those with little or no insurance get their medications at a discount.

How can I sign up for insurance?³

1. If you have a full-time job:
 - Talk with your manager or boss to see if you qualify for health insurance through work.
 - Open enrollment is the time that you can purchase commercial insurance plans.
 - Open enrollment usually occurs from the beginning of November until the middle of December.
2. If you are not actively working and are under 65 years old:
 - You may qualify for Medicaid – visit [Medicaid.gov](https://www.Medicaid.gov) to see if you meet the requirements
 - Medicaid plans vary depending on which state you live in
 - Many of these plans will only cover services in your home state
 - You can enroll in a Medicaid plan at any time
3. If you are not actively working and are over 65 years old or have a disability:
 - You may qualify for Medicare – visit [Medicare.gov](https://www.Medicare.gov) to see if you meet the requirements
 - Medicare has different coverage parts including A, B, C, & D
 - Medicare part D is your prescription drug coverage
 - You can initially enroll in Medicare at any time, but changes can only be made during open enrollment
 - Open enrollment is typically between October to December

What can I do if my medication costs too much?⁴⁻⁷

1. Talk to your doctor or pharmacist about other medication choices. There may be a cheaper medication that would work as well as a more expensive one.
2. Talk to your doctor about medication samples. If available, they might be able to give these to you for no charge.
3. Talk to your doctor or pharmacist about patient assistance programs or coupons for your medications.
4. Use your insurance as much as possible to meet your deductible quicker.
5. Check to see if the drug company offers a coupon. If there is no coupon for the medication from the drug company, try a prescription savings service.
 - Options of companies with prescription savings include (but are not limited to):

GoodRx**	RxSaver**	SingleCare**	ScriptRelief
FamilyWize	WellRx**	PharmacyChecker	Blink Health**

** have phone apps available

 - You cannot use insurance with a coupon from a savings service (like GoodRx and SingleCare), but you can sometimes use insurance with a coupon from the drug company.⁶⁻⁷
 - Print out or bring coupons to the pharmacy when you pick up your medication. The coupons have special codes that go with your medication.⁶⁻⁷
6. Some pharmacies may have their own generic discount programs. Talk with your pharmacist about options.

What personal information do I need to provide for prescription savings services?⁶⁻⁷

Most savings services just need the name of the medication to give you a coupon. Do not give your personal information.



Go online to find more information and to view the references for this toolkit.

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