

Informational Update Vol 16 #2 March 7, 2025

1. 2025 Medicare Part D Drug Costs

The GHI-enhanced Medicare Part D drug plan in 2024 no longer has 3 stages. Starting Jan 1, 2025, you will start over again, no matter how much your true out-of-pocket expense – known as TrOOP - was in 2024. Your copay is 25% of the drug cost, while the plan pays the other 75%.

In 2025, your TrOOP limit is \$2,000, a decrease of \$6,000 from the amount in 2024. However, the High Option Rider, the premium that pays for those enrolled in the GHI Enhanced Medicare Part D plan associated with the Senior Care health plan, increases \$30 from \$120 to \$150 per person per month. This amount is deducted from your pension check, and is labeled G-CBP EMPE on the stub.

If you pay an IRMAA surcharge for Medicare Part B in 2025, then you also pay a Part D surcharge. The charges are listed in a table found on the November 2024 verification letter.

Part D, as well as Part B, surcharges are deducted from your Social Security check. If you do not receive Social Security, you will receive a bill from Medicare.

Under the Inflation Reduction Act, Medicare negotiated tremendous list price cuts with pharma firms – from 38% to 79% - for the 10 most popular drugs, including Eliquis. These reductions are slated to take effect in 2026.

The great news for 2025 is that one of the most used drugs, Eliquis, is one of the drugs that will benefit from the TrOOP limit of \$2,000. If you reach that amount and you still need to fill an Eliquis prescription, then there is no copay.

Another important change in 2025 is the introduction of the Medicare Prescription Drug Payment Plan, a program designed to help spread out the cost of high-cost medications, including Eliquis, over time. Rather than pay the whole amount for an expensive drug, you'll have the option to spread out your payments across the year.

2. “Valentine’s Gift”

If you are Medicare eligible and have a NYC prescription drug coverage (like GHI Enhanced Plan D) you should have received your “Valentine’s” gift of \$480 (\$40 a month) for 2024 last month via a check from the CSA Welfare Fund

The “Valentine’s” gift is a CSA Welfare Fund benefit designed to help defray the cost of the High Option Rider that pays for your Part D coverage. In 2023, the Rider costs \$125 (\$120 in 2024) for an individual, and \$250 (\$240 in 2024) if you have a dependent. The Rider cost is deducted from your pension.

If you were eligible for the “Valentine’s Gift,” but were not on Medicare for the full year, you should receive a prorated check. The prorate is \$40 a month for every month on Medicare.

Please note that only Medicare-eligible CSA retirees are entitled to the “Valentine’s” gift; non-CSA Medicare-eligible people are not. If both husband and wife are Medicare-eligible CSA retirees, then both are entitled to the \$480 providing EACH has their own NYC medical coverage. If one member is covering the other member, then only the member who is covering is entitled to the \$480.

For non-Medicare CSA retirees and non-Medicare dependent spouses, the CSA Welfare Fund and CSA Retiree Chapter will continue to cover co-pays, provided the members and spouses are under the GHI or City HMO plans. After a \$100 deductible, the reimbursement is 80% of the drug cost up to a maximum of \$10,000. In addition, the CSA Retiree Chapter automatically (no filing of a claim necessary) supplements this reimbursement with an additional 20% of the Fund payment.

3. Question of the Month

Q. I am a retired CSA member and was transferred from the hospital to a skilled nursing facility for rehabilitation. Am I covered?

A. I’m sorry to hear you were in the hospital, but the good news is if you were in the hospital for a minimum of 3 consecutive days, Medicare covers you for the first 20 days. After that, your Blue Cross, Blue Shield covers you for the next 80 days. Total coverage is 100 days.