

## **Exhibit 1 – Part D Sponsor Notice to Acknowledge Acceptance of Election in the Medicare Prescription Payment Plan**

Referenced in [insert draft part 2 guidance section]

<Part D sponsors may insert a title for the notice, such as “You’re now participating in the Medicare Prescription Payment Plan”>

<Member #>

<RxID>

<RxGroup>

<RxBin>

<RxPCN>

<Date>

Dear <Name of Member>,

Welcome to the Medicare Prescription Payment Plan, a payment option that works with your <plan name>. Your participation starts on <insert date>.

### **What happens now?**

1. We’ll let your pharmacy (including mail-order and specialty pharmacies) know that you’re using this payment option.
2. When you fill a prescription for a drug covered by Part D, you won’t pay your pharmacy for the prescription.
3. Each month <plan name> will send you a bill with the amount you owe, 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 is my monthly bill calculated?**

Your monthly bill is based on what you owe for any prescriptions you get, plus your previous month’s balance, divided by the number of months left in the year.

**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 are added into your monthly payment, there are fewer months left in the year to spread out your payments. You’ll never pay any interest or fees on the amount you owe, even if your payment is late.

Remember, in a single calendar year (Jan – Dec), you’ll never pay more than:

- The total amount you would have paid out of pocket to the pharmacy.
- The Medicare drug coverage annual out-of-pocket maximum (which is \$2,000 in 2025).

### **What happens if I don’t pay my bill?**

We’ll send you a reminder 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. Like any other debt, you’re

required to pay the amount you owe. Always pay your <plan name> premium first (if you have one), so you don't lose your drug coverage.

If you think that we've made a mistake with the amount you owe, call us at <phone number>. You also have the right to follow the grievance process found in your <insert "Member Handbook" or "Evidence of Coverage," as appropriate>.

## **Can I leave the Medicare Prescription Payment Plan?**

You can leave the Medicare Prescription Payment Plan at any time by calling us at <phone number>. If you still owe a balance, you're required to pay the amount you owe, even though you're no longer participating in the program. You can choose to pay the remaining amount all at once or be billed monthly. If you leave, your Medicare drug coverage and other Medicare benefits won't be affected, and you'll go back to paying the pharmacy directly for all your out-of-pocket drug costs.

If you leave <current plan name> or change to a new Medicare drug plan or Medicare health plan with drug coverage (like a Medicare Advantage Plan) your participation in the Medicare Prescription Payment Plan will end. If you change plans, and you'd like to join the Medicare Prescription Payment Plan offered through your new plan, contact your new plan.

## **Are there programs that can help lower my costs?**

While the Medicare Prescription Payment Plan spreads out your costs, it doesn't lower them. However, you may be eligible for programs that can help lower your costs, like:

- **Extra Help:** A Medicare program that helps pay your Medicare drug costs if you have limited income and resources. Visit [secure.ssa.gov/i1020/start](https://secure.ssa.gov/i1020/start) to find out if you qualify and apply. You can also apply with your state's Medicaid office. Visit [Medicare.gov/basics/costs/help/drug-costs](https://www.medicare.gov/basics/costs/help/drug-costs) to learn more.
- **Medicare Savings Program:** A state-run program that helps people with limited income and resources pay some or all of their Medicare premiums, deductibles, and coinsurance. Visit [Medicare.gov/medicare-savings-programs](https://www.medicare.gov/medicare-savings-programs) to learn more.
- **State Pharmaceutical Assistance Program (SPAP):** A program that may include coverage for your Medicare drug plan premiums and/or cost sharing. SPAP contributions may count toward your Medicare drug coverage out-of-pocket limit. Visit [go.medicare.gov/spap](https://go.medicare.gov/spap) to learn more.
- **Manufacturer's Pharmaceutical Assistance Programs (PAPs):** A program from drug manufacturers to help lower drugs costs for people with Medicare. Visit [go.medicare.gov/pap](https://go.medicare.gov/pap) to learn more.

Many people qualify for savings and don't realize it. Visit [Medicare.gov/basics/costs/help](https://www.medicare.gov/basics/costs/help), or contact your local Social Security office to learn more. Find your local Social Security office at [secure.ssa.gov/ICON/main.jsp](https://secure.ssa.gov/ICON/main.jsp) or call 1-800-772-1213. TTY users can call 1-800-325-0778.