

## **TOWN OF BELLINGHAM**

10 Mechanic Street \* Bellingham, MA 02019

**Melissa Paquette, Benefits Coordinator**

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To: Medex Subscribers

From: Melissa Paquette  
Benefits Coordinator

Subject: Medex 2 / Blue MedicareRx

**Effective January 1, 2026, your monthly premium will be \$260.50 per month per person**

**MEDEX 2 with Blue MedicareRx PDP (Prescription Drug Plan) :**

**Prescription Co-Pay: \$5/\$10/\$25**

**Mail Order CVS Caremark: \$10/\$20/\$50**

### **2026 Changes:**

- **Changes to Blue Medicare Rx formulary drug list (see attached)**

If you have any questions on your coverage, please contact:  
Blue Cross Blue Shield Medex at 1-800-262-2583

Any other questions feel free to call me at any time 508-657-2801



MASSACHUSETTS

Blue MedicareRx (PDP)

# CHANGES TO YOUR 2026 BLUE MEDICARERx FORMULARY (DRUG LIST)

Your prescription drug coverage will change on January 1, 2026. Please review the following list to see if any of the medications you take are impacted.

## COMPARISON OF 2025 TO 2026 SELECT FORMULARY

Down Tier Changes		
Medication name	2025	2026
EZETIMIBE TAB	Tier 2	Tier 1
VALSARTAN TAB	Tier 2	Tier 1
LOPERAMIDE HCL CAP	Tier 2	Tier 1
PREDNISONE PAK	Tier 2	Tier 1
URSODIOL TAB	Tier 3	Tier 2
DABIGATRAN	Tier 3	Tier 2
Prior Authorization Now Required		
DICYCLOMINE (CAPS, TABS, SOL)		
MECLIZINE TAB		
SANTYL OINT		

Up Tier Changes		
Medication name	2025	2026
OLMESARTAN TABS	Tier 1	Tier 2
COLCHICINE 0.6 MG TAB	Tier 1	Tier 2
DIPHENOXYL-ATR 2.5 MG TAB	Tier 2	Tier 3
Medications Now Covered		
LANTUS INJ		
DAPAGLIFLOZIN TAB		
FOSFOMYCIN POWD		
RAMELTEON TAB		

# **Blue Cross Blue Shield of Massachusetts 2026 Renewal (Group Senior Products)**

## **Key Points**

Health care costs are rising at rates we haven't seen in years here in Massachusetts and across the country. All health plans are seeing the same challenges to affordability. As a result, our group seniors will see a significant rate increase in 2026. We're sharing background information to help explain the increase.

### **Overall:**

- Costs are rising across the spectrum, including pharmacy and medical unit costs (what we pay for services). We're seeing higher utilization (increased use of health care services), which includes increases in inpatient and outpatient hospitalizations.
- Blue Cross Blue Shield of Massachusetts is a not-for-profit plan. Our priority is to ensure we can cover current medical costs. We don't have shareholders.
- We remain committed to guiding people to the exceptional health care they deserve – affordably, equitably, and seamlessly. We're working with providers, regulators, and our employer customers to control the rising cost of health care.

## **ADDITIONAL DETAIL BY PRODUCT**

### **Group MAPD (Medicare Advantage — including FreedomRx)**

- Rate increases are due to 2026 federal Inflation Reduction Act (IRA) changes (price negotiated medications), lower Part D reimbursement from Centers for Medicare & Medicaid Services (CMS), and the continuation of high medical utilization trends for services like inpatient hospitalization.
- The IRA overhauled the Part D program. These changes mean that subsidy payments to insurance plans like Blue Cross are reduced, leading to higher rates for products that cover prescription medications.
  - The member out-of-pocket threshold for covered Part D medications for 2026 will be capped at \$2,100.
- The medications that CMS negotiated pricing for with medication manufacturers resulted in higher net costs than what we receive today from our pharmacy benefit manager (PBM).
- Pharmacy costs are significantly higher than expected in 2025, driven by utilization of specialty medications.

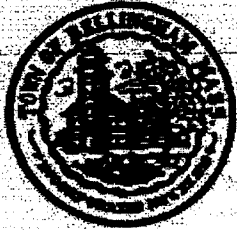
### **Group Medex (insured rates and self-insured plan expectations)**

- In Group Medex, higher rates were driven by a continuation of increased medical utilization trends, as well as:
  - Expectation for a moderate increase of Part A and Part B deductibles in 2026.
  - CMS increased fee schedules for providers in 2026 which leads to higher unit costs.

### **Key Part D 2026 changes (continuation of 2025 changes)**

- The IRA overhauled the Part D program. The implication of these changes is that subsidy payments to insurance plans like ours are reduced, leading to higher premium rates for accounts and members.
- The primary change is that the member out-of-pocket threshold for covered Part D medications in 2026 will be capped at \$2,100. Once a member reaches \$2,100 in their maximum out of pocket (MOOP) in 2026, they're no longer responsible for any cost sharing for the remainder of the calendar year. All plans are required to use the same out-of-pocket threshold value.
- The IRA changes the way a member's cost sharing accumulates to reach the new out-of-pocket threshold maximum. The cost sharing for basic Part D coverage counts toward the MOOP, even if that basic coverage is reduced by other payers.

- The 2026 MOOP accumulation is computed using the greater of what the member actually pays out of pocket or what they would've paid out of pocket if their product had the standard Medicare Part D plan design. This comparison is done for each individual claim that the member has. In the instance where the member's actual out-of-pocket cost is greater than what they would've paid under the standard benefit, their actual out-of-pocket cost would accumulate toward the MOOP. Many members who satisfy their MOOP will do so without spending \$2,100 out-of-pocket —e.g., their MOOP will be less than their \$2,100 limit in true out-of-pocket eligible costs.
- An example of how the MOOP will work in 2026 would be if a member has a copay of \$10 for a medication that costs \$100 and the deductible has already been met or covered through their plan. The standard cost sharing would be 25% or \$25. The member pays \$10 out of pocket, but the full \$25 will accumulate toward their MOOP. The additional \$15 is not paid by the member, it is now paid by the health plan. This shows how many members will reach the MOOP sooner, putting more coverage responsibility on the plan.



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Human Resources Office

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### **Important Notice from Town of Bellingham About Your Prescription Drug Coverage and Medicare**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the Town of Bellingham and about your options under Medicare's prescription drug coverage.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The Town of Bellingham has determined that the prescription drug coverage offered by the medical plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered **Creditable Coverage**. *Because your existing coverage is Creditable Coverage, you do not need to join a Medicare drug plan.* You can keep your prescription drug coverage with Bellingham and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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### **When Can You Join A Medicare Drug Plan?**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15<sup>th</sup> through December 7<sup>th</sup>. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

### **When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with the Town of Bellingham and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month

that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

## **For More Information About This Notice Or Your Current Prescription Drug Coverage...**

Contact the person listed below for further information [or call Medicare at 1-800-MEDICARE (1-800-633-4227)]. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Bellingham changes. You also may request a copy of this notice at any time.

## **For More Information About Your Options Under Medicare Prescription Drug Coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

Date:	October 10, 2025
Name of Entity/Sender:	Town of Bellingham
Contact—Position/Office:	Human Resources Office
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