



A Step-by-Step Roadmap for Gaston and surrounding area Neighbors to Lower Costs and Protect Their Retirement

The 2026 Prescription Drug Savings

guide



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ABOUT ME

With 5 years in the insurance industry, I help people navigate Medicare with clarity, especially when they're turning 65 and still working.

I'm licensed in NC, SC, VA and specialize in Medicare and senior-focused coverage. My goal is to help you understand your options, avoid surprises, and make confident decisions without pressure.

CREDENTIALS

- NPN #20247659
- VA License #1339057
- NC/SC License #20247659

What you can expect working with me

Clear Answers

I explain Medicare in plain language so you feel confident, not overwhelmed.

Smart Timing

If you're still working, we'll map out the right timeline so nothing catches you off guard.

No Pressure

You'll never be pushed into a decision. Just supported with clarity and options.

Year-Round Help

Questions come up outside enrollment season. I'm here for those too.

What Clients Are Saying



Justen has been great to work with. Prior to working with him, I was with a large brokerage and the difference is night and day. Not only did he take time to find Competitive bids for our benefits... but made sure every single question was answered and assisted every step of the way. I sincerely believe he cares about me first.

BILL

I want to say that Justen Pavone is a Amazing Agent and I enjoyed his personality and he is a great person. I will tell my whole family and friends about him and he is a hard worker.

LEANDRA



Before I reached the age for Medicare I was worried about how to transition from Tricare to Medicare without losing benefits. I found out about Justen Pavone thru FB and contacted him. He stayed in touch and when it was time he had done the research needed to fit my case. The experience I encountered working with Justen was incredible. He provided me the information I needed to make the right decisions for my Medicare needs. Justen simplified the process, which was excellent. He was very professional, respectful of my questions and courteous. He was a delight to work with, and I would highly recommend him to anyone. Justen provided remarkable service and quality.

IRENE

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The "Price Shock" Cheat Sheet

2026: The Year the Rules Were Rewritten

If you feel like your Medicare plan looks and acts differently this year, you aren't imagining it. 2026 brought the most significant changes to prescription drug costs in the history of the program.

The "Big Three" Impacting Your Wallet:

- **The \$615 Hurdle (The Deductible):** Most plans now have a \$615 deductible. This is why your first trip to the pharmacy in January or February feels like a "sticker shock." You are responsible for the first \$615 of drug costs before your insurance starts sharing the bill.
- **The \$2,100 Safety Net (The Cap):** This is the new 2026 limit. Once you spend \$2,100 out-of-pocket on covered medications, you have reached the "Catastrophic Phase." At this point, your copays for covered drugs drop to \$0 for the rest of the calendar year.
- **The "Smoothing" Option (M3P):** You no longer have to pay your entire deductible at the pharmacy counter in one lump sum. You now have the legal right to opt into a monthly payment plan to spread those costs out over the whole year.

Why this *matters*:

"I've put this page first because I don't want my neighbors in Gaston and surrounding counties to be blindsided at the register. Knowing these three numbers is the difference between a stressful January and a planned one. If you're hit with a bill higher than you expected, don't panic—it's likely the '\$615 Hurdle' at work.

Justen Pavone

The Pharmacy Status Auditor

Are You Standing in the Wrong Line?

In 2026, where you fill your prescription is just as important as what plan you have. Most Medicare plans use a "tiered" pharmacy network. If you walk into a pharmacy that is "Standard" instead of "Preferred," you could be paying double or triple for the exact same medication.

The Three Pharmacy Categories:

- 1. Preferred Pharmacies:** These are your plan's "VIP" stores. You pay the lowest possible copays here.
- 2. Standard Pharmacies:** These are in your network, but they are more expensive.
- 3. Out-of-Network:** Your plan may pay nothing at all, and these costs won't count toward your \$2,100 safety net.

Your "Right Place, Right Price" Worksheet

Grab your pill bottles and list your current medications below. Then, we will check which local pharmacy gives you the "Preferred" price for them.

MEDICATION NAME	DOSAGE	CURRENT PHARMACY	IS THIS PHARMACY "PREFERRED"?	
EXAMPLE: ATORVASATATIN	20MG	CORNER DRUG	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
			<input type="checkbox"/> Yes	<input type="checkbox"/> No
			<input type="checkbox"/> Yes	<input type="checkbox"/> No
			<input type="checkbox"/> Yes	<input type="checkbox"/> No
			<input type="checkbox"/> Yes	<input type="checkbox"/> No

How to find your "Preferred" Pharmacy:

Don't guess! There are three ways to find out which local store is your plan's "VIP" spot:

- **Check your ID Card:** Sometimes the "Preferred" chains are listed right on the back.
- **Look at your "Evidence of Coverage":** This is the large book your plan mailed you in the fall.
- **Ask me:** This is the fastest way. Send me your list of meds, and I will run a report showing you the cheapest pharmacy in NC for your specific prescriptions.

Why this *matters*:

I've seen neighbors save \$50 or more a month just by driving two blocks further to a different pharmacy. In 2026, the 'Standard' vs 'Preferred' price gap is wider than ever. ***Let's make sure you aren't overpaying just for convenience.***

The 5-Tier Price Ladder

Why Some Pills Cost \$0 and Others Cost \$100

Insurance companies don't treat every medication equally. They use a "Tier" system to decide your share of the cost. If you can swap a Tier 3 drug for a Tier 1 alternative, you could save enough to pay for Tony's Ice Cream for a whole month.

How the Tiers Work:

- **Tier 1: Preferred Generics** — These are the "MVP" drugs. Most plans have a \$0 to \$5 copay for these.
- **Tier 2: Generics** — Still affordable, but slightly higher costs than Tier 1.
- **Tier 3: Preferred Brands** — Brand-name drugs that don't have a generic version yet. Expect higher copays or even "coinsurance" (a percentage of the price).
- **Tier 4: Non-Preferred Drugs** — Expensive brands or high-cost generics. You will likely pay 40% to 50% of the retail price here.
- **Tier 5: Specialty Tier** — The most expensive medications (think cancer or autoimmune treatments). You pay a percentage, capped by your \$2,100 safety net.

The "Substitution" Worksheet

Can You Move Me Down the Ladder?

Don't just pay what the pharmacy tells you. Use this worksheet to see if there is a cheaper "floor" for your medications.

Step 1: The List List your most expensive monthly medications here:

1. _____ (My Cost: \$ _____)
2. _____ (My Cost: \$ _____)

Step 2: The Conversation Take this guide to your next doctor's appointment and ask these three questions:

- "Is there a Tier 1 or Tier 2 version of this medication?"
- "Is there a generic therapeutic equivalent?"
- "If I use Mail Order, does the tier price go down?"



I recently helped a neighbor in Gaston County who was paying \$45 a month for a Tier 3 brand. We found a Tier 1 generic that did the exact same thing for \$0. That's \$540 a year back in their pocket just for asking one question.



The Part B Penalty Warning

The 10% "Forever" Tax

If you missed your Initial Enrollment Period (the 7 months around your 65th birthday) and didn't have "creditable" employer coverage, the government adds a penalty for every year you wait.

- **The Math:** A 10% penalty is added to your Part B premium for every full 12-month period you were eligible but didn't sign up.
- **The Catch:** This penalty isn't a one-time fine. You pay it every single month for the rest of your life.
- **2026 Rate:** With the standard premium at \$202.90, a one-year penalty adds \$20.29 to your bill every month.

THE GET OUT OF JAIL FREE CARD:

If you're in the General Enrollment Period (Jan 1 – March 31), this is your window to stop the 'penalty clock' from ticking another year. Let's get you enrolled before April 1st.



The "IRMAA" Income Surcharge

Why High Earners Pay More for the Same Care

If your income from two years ago (2024) was above a certain level, Social Security adds an extra charge called IRMAA (Income-Related Monthly Adjustment Amount) to your Part B and Part D premiums.

The 2026 Thresholds (Based on 2024 Tax Returns):

- Individual Filers: Over \$109,000
- Joint Filers: Over \$218,000

CAN YOU APPEAL?

Yes! If you've had a "Life-Changing Event" (like retirement, divorce, or loss of income) since 2024, we can file Form SSA-44 to lower or remove this extra cost.

The M3P "Smoothing" Plan

No More "Big Bills" in January

New for 2026, the Medicare Prescription Payment Plan (M3P) allows you to spread your out-of-pocket drug costs over the entire year instead of paying them all at once at the pharmacy.

How it works:

1. You opt-in through your insurance carrier.
2. At the pharmacy, you pay \$0 at the counter.
3. Your insurance company bills you a monthly installment for your share.

the logic

If you have a \$615 deductible, this turns a one-time \$615 bill in January into approximately \$51/month. It's a great tool for fixed-income budgeting.

The "Negotiated 10" Price Drops

Historic Savings on 10 Major Drugs

For the first time ever, Medicare has negotiated lower prices for 10 of the most expensive and commonly used drugs. If you take any of these, your costs should see a significant decrease in 2026.

The List Includes:

- Eliquis & Xarelto (Blood Thinners)
- Jardiance & Januvia (Diabetes)
- Entresto (Heart Failure)
- Enbrel & Stelara (Arthritis/Autoimmune)
- Farxiga (Kidney Disease)
- Imbruvica (Cancer)
- Fiasp/NovoLog (Insulin)

The "Extra Help" (LIS) Qualifier

Are You Leaving Money on the Table?

Many people qualify for Extra Help (Low-Income Subsidy) and don't even know it!

This federal program helps pay for your Part D premiums, deductibles, and copays.

The 2026 Qualifications (Approximate):

- **Income Limit:** Up to \$2,015/month (Individual) or \$2,725/month (Couple).
- **Asset Limit:** Below \$18,090 (Individual) or \$36,100 (Couple).

The Benefit: If you qualify, your prescriptions could cost as little as \$5.10 for generics and \$12.65 for brands.



The Medicare Clock

The 7-Month "Initial Enrollment" Window

Most people join Medicare during their Initial Enrollment Period (IEP). If you miss this window, you might face a wait and a lifelong penalty.

The Timeline:

- **3 Months BEFORE your 65th birthday:** The window opens. Start your research now!
- **The Month OF your birthday:** Happy Birthday! You can sign up now, and coverage starts the 1st of the month.
- **3 Months AFTER your birthday:** The window closes. If you miss this, you likely have to wait for the next General Enrollment Period.

Even if you're still working, don't ignore this window. In Gaston County, I help many neighbors compare their 'Work Plan' to Medicare to see which one actually offers the best value.



The General Enrollment Period (GEP)

The "Second Chance" Window (Ends March 31)

If you missed your initial window, today is your rescue mission. The GEP runs from January 1 to March 31 every year.

What happens *now*:

1. **Sign up by March 31:** Your coverage will typically start the first of the following month.
2. **Stop the Clock:** Signing up now prevents the "late penalty" from getting any larger.
3. **Choose Your Path:** This is the time to decide between Original Medicare + a Supplement or a Medicare Advantage plan.

Special Enrollment Periods (SEP)

Life Changes = Plan Changes

You don't always have to wait for a deadline. If your life changes, your Medicare options open up.

Common SEPs for Gaston Neighbors:

- **Moving:** If you move to a new zip code or state.
- **Losing Work Coverage:** If you retire or lose your employer-sponsored health plan.
- **Medicaid/Extra Help:** If you qualify for state assistance or "Extra Help" with drug costs.
- **Chronic Conditions:** Some plans allow you to join or switch if you have specific conditions (like Diabetes or Heart Failure).

notes:

The "Evidence of Coverage" (EOC) *Decoder*

How to Read That 200-Page Book

Every September, your plan mails you a massive book called the Evidence of Coverage. 90% of people throw it in a drawer. Don't do that.

The 3 Pages That Actually Matter:

- **The Summary of Benefits:** This lists your copays for doctors and hospitals.
- **The Formulary (Drug List):** This tells you if your medications are still covered and what Tier they are on.
- **The Provider Directory:** This confirms if your favorite local doctors are still in the network.

PRO-TIP

If you don't want to dig through a 200-page book, call me. I have the digital version of every plan in NC and can find your answer in seconds!

The Network Verification Audit

How to Read That 200-Page Book

Every September, your plan mails you a massive book called the Evidence of Coverage. 90% of people throw it in a drawer. Don't do that.

The 3 Pages That Actually Matter:

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The "One-Swap" Rule (MA OEP)

Your Emergency Exit (Ends March 31)

If you are already in a Medicare Advantage plan and you realize it's a bad fit, you have a "One-Swap" card to play during the Medicare Advantage Open Enrollment Period (MA OEP).

The Rules of the Swap:

1. **Who:** Only for people currently in a Medicare Advantage plan as of January 1.
2. **What:** You can make exactly one change. You can switch to a different Advantage plan or return to Original Medicare (and add a Part D drug plan).
3. **When:** The window closes on March 31.
4. **Effect:** Your new coverage starts the first day of the month after you make the switch.

Medigap vs. Medicare Advantage

Fixed Cost vs. Pay-As-You-Go

This is the biggest debate in Medicare. Neither is "better," but one is usually a better fit for your specific lifestyle in Gaston and surrounding areas.

Feature	Medigap (Supplement)	Medicare Advantage (Part C)
Monthly Premium	Higher (Fixed monthly cost)	Lower (\$0 or low premium)
Doctor Choice	Any doctor who takes Medicare	Network of doctors (HMO/PPO)
Drug Coverage	Requires a separate Part D plan	Usually included "All-in-One"
Copays	Virtually \$0 for medical visits	You pay as you go (\$30, \$40, etc.)

DECISION-TIP

If you want a predictable budget and the freedom to see any specialist in the country, Medigap is usually the winner.

If you want lower monthly costs and extra perks like dental or vision, Advantage is the way to go.

The Skilled Nursing (SNF) Warning

The "Day 21" Cost Spike

Most people assume Medicare pays for "rehab" or nursing care indefinitely. In 2026, the costs change significantly after the first three weeks.

The 2026 Cost Breakdown:

- **Days 1–20:** \$0 copay per day (after a qualifying hospital stay).
- **Days 21–100:** You pay a daily coinsurance of \$217.
- **Days 101+:** You pay 100% of all costs.

action item

Look at your plan's 'Out-of-Pocket Maximum.'
If you ended up in a rehab facility for 100 days, could your savings handle the \$17,360 bill (80 days x \$217)? If not, we should look at plans with lower SNF copays.

The "Negotiated 10" Price List

Historic Savings on High-Cost Medications

For the first time in history, Medicare has negotiated lower prices directly with drug manufacturers. If you take any of these ten medications, you should see a direct impact on your out-of-pocket costs starting in 2026.

The 2026 Negotiated List:

- **Eliquis & Xarelto:** Blood thinners.
- **Jardiance & Januvia:** Type 2 diabetes.
- **Farxiga:** Chronic kidney disease.
- **Entresto:** Heart failure.
- **Enbrel & Stelara:** Autoimmune conditions.
- **Imbruvica:** Blood cancers.
- **Fiasp / NovoLog:** Insulin products.

Why this *matters*:

These negotiated prices are at least 38% off the 2023 list price. If you've been struggling to afford these specific brands, 2026 is your year of relief. Let's look at your plan to see exactly how much you'll save.

How to Appeal a Drug Denial

The "Don't Take No for an Answer" Protocol

If your plan refuses to cover a medication or moves it to a more expensive tier, you have a legal right to an appeal, known as a plan redetermination.

The 5 Levels of Appeal:

Level 1: Redetermination from your plan. You must file this within 60 days of the denial.

Level 2: Independent Review Entity (IRE). If the plan says no again, an outside group reviews it.

Level 3: Decision by the Office of Medicare Hearings and Appeals (OMHA). A hearing with an Administrative Law Judge.

Level 4: Review by the Medicare Appeals Council..

Level 5: Judicial Review by a Federal District Court..

Standard appeals take about 7 days for a decision. If waiting that long could seriously harm your health, your doctor can request an expedited appeal for a decision within 72 hours.

The "True Cost of Ownership" Calculator

Beyond the Monthly Premium

Most people choose a plan based on the monthly premium, but that is often the most expensive mistake you can make. Use this math to find your real cost.

The Real Math Formula:

1. **Annual Premium:** (Monthly Premium x 12)
2. **The Deductible:** Add up to \$615 (for drugs) and \$283 (for Part B).
3. **Your Copays:** Estimate your monthly copays for Tier 3, 4, or 5 drugs.
4. **The Result:** This is your True Cost of Ownership.

the agent advantage

I have digital tools that run this exact math across every plan in Gaston and surrounding areas. We can compare 'Plan A' with a \$0 premium against 'Plan B' with a \$30 premium to see which one actually leaves more money in your pocket by December.

Penalty Warning (Part D)

The Extra 1% "Late Tax"

If you go more than 63 days in a row without "creditable" drug coverage after your Initial Enrollment Period, you will likely face a permanent late enrollment penalty.

The Math for 2026:

- **The Penalty:** 1% of the "national base beneficiary premium" for every full month you were eligible but didn't sign up.
- **The 2026 Base Rate:** \$38.99.
- **The Result:** If you waited 12 months, you'd pay an extra \$4.70 (rounded) every single month for life.



This penalty stays with you forever, even if you change plans. If you are still working and turning 65, let's make sure your current work coverage counts as 'creditable' so you don't get hit with this tax later.

The Dignity Checklist

Prioritizing Your Values in Serious Illness

Medicare isn't just about bills; it's about making sure your wishes are respected during difficult times.

The "What Matters Most" Audit:

- [] **Advance Directive:** Do you have a living will that spells out your choices for life-sustaining measures?
- [] **Healthcare Representative:** Who will speak for you if you cannot speak for yourself?
- [] **The Hospice Benefit:** Did you know that under Medicare-approved hospice care, you pay \$0 for care and no more than a \$5 copay for pain-relief medications?

Planning for the end of life isn't about giving up; it's about ensuring your dignity and comfort are the top priorities. I can help you understand which plans offer the most robust palliative and hospice support in NC.

The Part D "Smoothing" Math

Your Monthly Payment Plan (M3P) Calculator

The Medicare Prescription Payment Plan (M3P) doesn't save you money on drugs, but it protects your cash flow. Instead of a massive bill in January, you spread the cost over the remaining months of the year.

The "Smoothing" Formula: $(\text{Your Current Drug Cost} + \text{Your Previous Balance}) \div (\text{Months Remaining in the Year}) = \text{Your Monthly Payment}$

Example: If you have a \$600 prescription in January:

- Without M3P: You pay \$600 at the counter.
- With M3P: You pay \$50/month for the rest of the year ($\$600 \div 12$ months).

This is a game-changer for anyone on high-cost medications. But remember, you have to opt-in through your plan—it isn't automatic! If you want me to help you run these numbers for your specific meds, just ask.

The High-Earner Income Trap (IRMAA)

2026 Surcharges for Parts B & D

If your Modified Adjusted Gross Income (from 2 years ago) was over \$109,000 (Individual) or \$218,000 (Joint), you will pay an extra "Income-Related Monthly Adjustment Amount" (IRMAA).

The 2026 IRMAA Brackets (Part B):

- \$109k or less: \$202.90 (Standard)
- \$109k – \$137k: \$284.10 Total
- \$137k – \$171k: \$405.80 Total
- \$171k – \$205k: \$527.50 Total
- \$205k – \$500k: \$649.20 Total
- \$500k+: \$689.90 Total

The “appeal” loophole

Did you retire, get divorced, or lose income recently? We can file a Life-Changing Event form (SSA-44) to potentially lower or remove these surcharges. Don't just pay the bill—let's see if we can appeal it.

How to Spot a Medicare Scam

Protecting Your "Red, White, and Blue" Card

Scammers are out in full force this year using the 2026 changes as an excuse to steal your information.

The "Big Three" Red Flags:



The "New Card" Lie: Anyone calling to tell you that you need a "new 2026 card" or a "plastic card" is a scammer. Your card is fine.



The "Pre-Approved" Discount: Medicare will never call you to offer a "special discount" on Ozempic or any other drug.



The Threat: "Your benefits will be canceled if you don't join this plan today." Medicare never threatens to cancel your benefits.

safety rule

If someone calls you uninvited and asks for your Medicare number, hang up. Period. If you're ever unsure, call me first

Your "Annual Review" Calendar

Important Dates to Circle in Red

- **Jan 1 – March 31 (MA OEP):** Your "One-Swap" window if your current Advantage plan is a bad fit.
- **September: The "Mail Month."** Watch for your ANOC (Annual Notice of Change) in the mail.
- **October 15 – December 7 (AEP):** The big dance. This is the only time you can change your drug plan for the following year.
- **December 31:** The deadline for your 2026 plan to be locked in.

FAQs from my clients.

The Questions Your Neighbors Are Asking

- **Can I use TrumpRx and M3P together?**
 - No. M3P only works for drugs covered by insurance. TrumpRx is for cash payments.
- **Why did my premium go up?**
 - The Part B premium rose to \$202.90 due to rising healthcare costs and new drug coverages.
- **Is my doctor still in-network?**
 - Networks change every year. Use the audit on Page 17 to be sure.

Final *next steps*



Confidence Comes from Having a Plan

You've read the guide, you've seen the numbers, and you've looked at the lists. Now, it's time to move from "information" to "action."

Your 3-Step To-Do List:

1. **Gather** your current medication list and dosages.
2. **Review** your "True Cost of Ownership" on Page 23.
3. **Schedule** your 2026 Price-Check Audit.

I'm here to help you run the math.

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Justen Pavone



Scan to make an appointment