Basic and Enhanced Plans

The primary difference between basic and enhanced plans for Part D is cost sharing. Enhanced plans are required to cover more of the actuarial value. This will generally mean deductibles are lower and there is protection in the coverage gap, also known as the donut hole.

Basic plans have no gap coverage. Also, as mentioned before, enhanced plans may sometimes have drugs not covered by the basic plan. As a rule, one company offering a basic and enhanced plan will use the same formulary for both.

Another important difference can be the provider network. Often enhanced plans will have more pharmacies on the preferred network list, which could mean better co-pays at those pharmacies.

Cost sharing varies from plan to plan, but it will usually be a combination of lower co-pays, deductibles and different levels of gap coverage. Enhanced plans can also have lower co-pays overall.

However, enhanced plans have higher premiums. For some people, these higher premiums may offset the benefits of the enhanced drug plan, but for others, especially those who will be hitting the coverage gap every year, the enhanced plan may be best option.