

# 2 important changes to **Medicare Part D**

in 2025 may help make the cost of your prescription drugs more affordable and more manageable<sup>1,2</sup>

Starting in 2025, no matter how many Medicare Part D prescriptions you fill, you won't pay more than **\$2000** for prescription drugs that are covered by your Part D plan...<sup>1,3</sup>

**\$2000** maximum out of pocket<sup>1</sup>

- There is **no longer** a coverage gap (donut hole)<sup>2</sup>
- There is **no more** cost sharing in the catastrophic phase<sup>2</sup>
- Applies to **all** drugs covered by a patient's Medicare Part D plan<sup>2\*</sup>

\*Includes all drugs covered under the Part D benefit, not those administered in the physician's office.<sup>4</sup>



...and the cost of your **copays or coinsurance** can be spread more evenly over the entire year<sup>2</sup>

Patients on Medicare Part D can opt in to the Medicare Prescription Payment Plan<sup>5</sup>

- You still pay the same amount, but spread costs over the year<sup>5</sup>
- Instead of paying when you get your prescription, you will receive a bill each month from your Part D plan with the monthly amount you owe<sup>5</sup>

**Will the new payment plan help me?**

- The new payment plan may be helpful if you have high cost sharing earlier in the year. By spreading the cost over the remaining months of the year, the payment plan may help you manage your costs<sup>5</sup>

**How do I opt in?**

- You can opt in at any time, but it's best to do it early. Call your Part D plan after October 15, 2024, or go to its website<sup>6,7</sup>

# Medicare Prescription Payment Plan & You



For enrollees in Medicare Part D, the Medicare Prescription Payment Plan can help make out-of-pocket costs for prescription drugs easier to manage<sup>5</sup>

## Medicare Prescription Payment Plan: Key dates

**October 15, 2024:** You can opt in during Medicare Open Enrollment and throughout the year.<sup>6,7</sup> Opting in early may prevent delays at the pharmacy.<sup>8</sup>

**January 1, 2025:** Starting January 1, you can spread your out-of-pocket costs more evenly over the entire year.<sup>2</sup>

## Who is likely to benefit?

- If you spent more than \$2000 in out-of-pocket costs between January 1 and September 30, 2024, your Part D plan will notify you that you are likely to benefit<sup>9</sup>
- Your pharmacy may also tell you when you fill a prescription, but you will not be able to opt in at the pharmacy, so it's best to sign up early<sup>8</sup>

## How does it work?<sup>2</sup>

- “Spreading” applies to all of your out-of-pocket expenses for all generic and brand-name prescription drugs that are covered under your Medicare Part D benefit
- When you opt in, you will pay \$0 at the pharmacy and then will receive a monthly invoice from your Part D plan
- There are no fees or interest costs
- The Medicare Prescription Payment Plan may be especially helpful to patients who have high cost sharing early in the year

## How can I learn more?<sup>8</sup>

- Before the start of the plan year, you will receive educational materials about the Medicare Prescription Payment Plan from your Part D plan and from Medicare
- Information will also be included on your Part D plan's website

**Call your Part D plan and opt in to the Medicare Prescription Payment Plan during open enrollment, starting October 15, or visit your plan's website.**

**For more information, visit [Medicare.gov/prescription-payment-plan](https://www.medicare.gov/prescription-payment-plan)**



**References:** 1. Lower out-of-pocket drug costs in 2024 and 2025. Centers for Medicare & Medicaid Services (CMS). Accessed July 19, 2024. <https://www.cms.gov/files/document/lower-out-pocket-drug-costs-2024-and-2025-article.pdf> 2. Medicare prescription payment plan: final Part One guidance. CMS. February 29, 2024. Accessed July 19, 2024. <https://www.cms.gov/files/document/medicare-prescription-payment-plan-final-part-one-guidance.pdf> 3. Final CY 2025 Part D redesign program instructions fact sheet. CMS. April 1, 2024. Accessed July 19, 2024. <https://www.cms.gov/newsroom/fact-sheets/final-cy-2025-part-d-redesign-program-instructions-fact-sheet#> 4. Cubanski J, Neuman T. Changes to Medicare Part D in 2024 and 2025 under the Inflation Reduction Act and how enrollees will benefit. Kaiser Family Foundation. April 20, 2023. Accessed August 6, 2024. <https://www.kff.org/medicare/issue-brief/changes-to-medicare-part-d-in-2024-and-2025-under-the-inflation-reduction-act-and-how-enrollees-will-benefit/> 5. Medicare prescription payment plan. CMS. Updated July 16, 2024. Accessed August 6, 2024. <https://www.cms.gov/inflation-reduction-act-and-medicare/part-d-improvements/medicare-prescription-payment-plan> 6. Fact sheet: Medicare prescription payment plan final Part One guidance. CMS. February 2024. Accessed July 19, 2024. <https://www.cms.gov/files/document/fact-sheet-medicare-prescription-payment-plan-final-part-one-guidance.pdf> 7. Joining a plan. Medicare.gov. Accessed July 19, 2024. <https://www.medicare.gov/basics/get-started-with-medicare/get-more-coverage/joining-a-plan> 8. Medicare prescription payment plan: final Part Two guidance. CMS. July 16, 2024. Accessed July 19, 2024. <https://www.cms.gov/files/document/medicare-prescription-payment-plan-final-part-two-guidance.pdf> 9. Fact sheet: Medicare prescription payment plan final Part Two guidance. CMS. July 2024. Accessed July 19, 2024. <https://www.cms.gov/files/document/fact-sheet-medicare-prescription-payment-plan-final-part-two-guidance.pdf>

