



CHANGES IN MEDICARE MAY HELP YOU...

SAVE MONEY ON PRESCRIPTION DRUGS

THE INFLATION REDUCTION ACT (IRA) OF 2022 IS A LAW THAT:



Expands Medicare benefits



Lowers prescription drug costs



Includes a new option for how to pay for drugs

HERE IS HOW THE IRA MAY HELP YOU SAVE ON PRESCRIPTION DRUGS

Lower prices for prescription drugs as Medicare negotiates with drug companies (in 2026)

Free recommended preventive vaccines if you have Medicare Part D prescription drug coverage—includes the shingles vaccine (in effect now)

\$35 per month maximum for each Medicare-covered insulin product (in effect now)

More help lowering out-of-pocket costs for enrollees who qualify (in effect now)

IF YOU ARE ENROLLED IN MEDICARE PART D, YOUR COST SHARING FOR ALL COVERED DRUGS IS CAPPED AT \$2,000 IN 2025

You won't pay more than \$2,000 out-of-pocket for prescription drugs covered by your Part D plan
NOTE: This limit includes all covered drugs that your doctor prescribes

YOU CAN CHOOSE TO SPREAD ALL COVERED DRUG COSTS OVER A YEAR WITH CAPPED MONTHLY PAYMENTS

- When you join (opt into) the Medicare Prescription Payment Plan (MPPP), you will make monthly payments to your Part D plan*—and pay \$0 at the pharmacy
- Your monthly payments will be your total drug costs divided by the number of months remaining in a year.
For example:
 - If you were to reach the \$2,000 maximum out-of-pocket in January, you would pay 12 monthly payments of \$166.67 (without the payment plan, you would pay \$2,000 in January)
 - However, if you have high drug costs toward the end of the year, your monthly payments would be higher

NOTE: This new payment program is not automatic—you must contact your Part D plan and opt in.

You can join the MPPP during Medicare Open Enrollment in 2024 or throughout 2025.
You opt into the program directly with your Part D plan online, by phone, or by fax.
For more information, contact your Part D plan.

Be prepared to re-enroll each year if Medicare requires it.

OTHER PROGRAMS CAN HELP PAY FOR PRESCRIPTION DRUGS

The IRA helps more people pay for monthly premiums, annual deductibles, and copayments for prescription drugs. This depends on your income. See the Extra Help link below to learn more.

New Medicare benefits in the IRA already help millions of people get affordable treatments.
And more benefits will be added in the years to come.

FOR ONLINE INFORMATION ABOUT THE IRA AND PRESCRIPTION DRUG COVERAGE, VISIT:

- [The IRA and Medicare](#) (or call 1-800-633-4227)
- [Local Medicare help](#)
- [Medicare Prescription Payment Plan](#)
- [Enroll in Medicare](#)
- [The Extra Help program](#)

*You can get Medicare Part D prescription drug coverage in 2 ways:

1. Choose a standalone Part D drug plan in addition to Original Medicare, or
2. Choose Part D drug coverage and hospital and medical coverage in a Medicare Advantage (Part C) plan.

GLOSSARY

Premium	A monthly amount you pay for coverage, whether you get services or not.
Deductible	An amount you have to pay for covered services and items each year before Medicare or your plan starts to pay.
Coinsurance	<p>A percentage of the cost that you pay. In Part B (mostly drugs given in a health provider's office), you pay 20% of the cost for each Medicare-covered service.</p> <ul style="list-style-type: none">• For example, a Medicare-covered service costs \$100. Medicare pays \$80, and you pay \$20 (20% of \$100 is \$20)
Copayment	A fixed amount—like \$30—you pay for a Medicare-covered service.
Medicare Part B	Covers medical services and products. Part B drug coverage helps pay for drugs given in a doctor's office, such as some injections. These drugs are referred to as Part B drugs.
Medicare Part D	Provides coverage for prescription drugs sold in a pharmacy that patients take themselves. Medicare Part D prescription drugs are approved for use by the Food and Drug Administration (FDA). Not all prescription drugs are covered by Medicare. Ask your doctor for more information.