

MEDICARE AND YOU

Important Updates to Your Out-of-Pocket Medication Costs

Learn about [Medicare Part D](#) changes in
2024 and beyond




Mitsubishi Tanabe Pharma America

BEGINNING IN 2024

Things are changing that will affect your Medicare Part D medication costs, depending on your plan


Medicare Part D changes in 2024

- A cap on out-of-pocket (OOP) spending for enrollees in a Medicare Part D plan
- Requiring Part D plans and drug manufacturers to pay a greater share of drug costs for Part D enrollees with high drug costs
- Enrollees will no longer have to pay for drug costs in the catastrophic phase

 It's important for you to contact your health insurance plan to verify your benefits. This will give you the information you need to understand your total annual OOP costs.

Here's an example* of what you might pay for all of your prescribed medications if your plan caps your OOP costs at \$3,250† for the year:

Deductible	+	Initial Coverage	+	Coverage Gap
\$545		\$1,110		\$1,595
= \$3,250				

 **Remember:** Your co-pay is separate from your monthly premium. If you're not sure of your premium amount, contact your Medicare Part D health plan.

If you are prescribed multiple medications—including more than one branded medication:

- Your co-pays for each medication will be based on the order they are submitted for payment, up to your Part D OOP maximum
- After you reach the co-pay maximum, you won't face any additional OOP costs for your medications



Actor portrayals.

*Example is for illustrative purposes only.

†This cap amount is a projected estimate and may vary slightly. Your OOP costs may change from month to month, based on your plan's OOP maximum amount.

BEGINNING IN 2025

There's more news about your Medicare Part D OOP costs

Your OOP costs may change again

In 2025, Medicare Part D and Advantage Part D plans will be required to let enrollees opt to join the Medicare Prescription Payment Plan. This plan will allow you to make payments in capped, monthly installments over the course of the plan year. Instead of possibly facing outsized OOP costs at the beginning of the year, you may "smooth" those payments across the plan year.

3-year OOP cost changes implemented by the Inflation Reduction Act

	2023	2024	2025+
Deductible	You paid: 100%	You pay: 100%	You pay: 100%
Initial coverage	Part D plan paid: 75% You paid: 25%	Part D plan pays: 75% You pay: 25%	Part D plan pays: 65% Drug manufacturer pays: 10% You pay: 25%
Coverage gap	Part D plan paid: 5% Drug manufacturer paid: 70% You paid: 25%	Part D plan pays: 5% Drug manufacturer pays: 70% You pay: 25%	You pay: 0%
Estimated OOP spending	≈ \$3,100	≈ \$3,250†	\$2,000†
Catastrophic coverage	Part D plan paid: 15% Medicare paid: 80% You paid: 5%	Part D plan pays: 20% Medicare pays: 80% You pay: 0%	Part D plan pays: 60% Medicare pays: 20% Drug manufacturer pays: 20% You pay: 0%

†Your OOP spending depends on your Medicare Part D plan. Contact your plan for details.

► **Note:** You are still responsible for paying your monthly health plan premium.



For more information, visit [medicare.gov](https://www.medicare.gov).



Actor portrayals.

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For more information about these changes, you can talk to your healthcare provider and visit [medicare.gov](https://www.medicare.gov).

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