

## Important Medicare Changes in 2025

### The Inflation Reduction Act of 2022 included several provisions to reduce OOP costs for Medicare Part D medicines:

- In 2025, **\$2000** is the total maximum OOP cost patients will pay for their covered Part D drugs. This includes their annual deductible.
- In 2025, patients have the **option to spread their OOP costs out over the course of the year with no additional fees or interest**, by opting in the **Medicare Prescription Payment Plan**.
- **“Extra Help” Benefits were expanded in 2024** to help people with limited income and resources.

**Note:** Updates to the out-of-pocket maximum for Medicare patients are only for purchases of Part D drugs, the part of Medicare that covers self-administered prescription drugs (i.e., drugs you pick up at a pharmacy).

## The Medicare Prescription Payment Plan

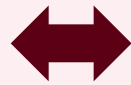
### What It Is

The Medicare Prescription Payment Plan offers patients the option to pay out-of-pocket prescription drug costs in the form of capped monthly payments, instead of all at once at the pharmacy!

### How it Works



Patients can opt in **during open enrollment**, or **anytime during the plan year**



The plan allows you to **spread out-of-pocket costs** over the course of the remaining year, rather than pay them all at once



Patients pay **\$0 to the pharmacy** and will instead be billed monthly by their Part D drug plan



Patients typically need to opt into the payment plan **before** filling their prescription.

### Who It May Be Most Helpful For

While the program will be available to all patients with Medicare Part D coverage, patients most likely to benefit from the program include those who **Expect High Prescription Costs Earlier in the Plan Year**. In this case, opting in can spread those costs out throughout the year and give more time to pay in smaller chunks.

### How to Opt-In

All beneficiaries can opt into the Prescription Payment Plan directly through their Part D or Medicare Advantage plan during open enrollment or at any time during the plan year.

#### There are three main ways someone can sign up:

- **Telephone:** Call the Medical Part D or Medicare Advantage plan directly
- **Paper Request:** Fill out a paper form from their plan
- **Online:** Their plan's website may have an online form/portal to sign up



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Let’s take a look at an example that shows the impact of Part D changes on patient OOP costs in 2024 versus 2025 for a standard benefit Medicare Part D patient.

Medicare Part D Patient OOP Costs for a monthly \$15,000 Brand Name Product

	2024	2025			
	First Fill in January	First Fill in January		First Fill in June	
		Without Payment Plan	With Payment Plan	Without Payment Plan	With Payment Plan
January	~\$3,300	\$2000	\$167	--	
February	--	--	\$167	--	
March	--	--	\$167	--	
April	--	--	\$167	--	
May	--	--	\$167	--	
June	--	--	\$167	\$2000	\$286
July	--	--	\$167	--	\$286
August	--	--	\$167	--	\$286
September	--	--	\$167	--	\$286
October	--	--	\$167	--	\$286
November	--	--	\$167	--	\$286
December	--	--	\$167	--	\$286
Total (Not including premiums)	\$3,300	\$2,000			

Please note that in 2025 a patient’s OOP cost and monthly payments, if they sign up for a payment plan, will vary depending on their mix of drugs and the month in which drugs are filled, but patient OOP costs will not exceed \$2,000

Extra Help Benefits for Part D in 2025

**Low-Income Subsidy (LIS)**, or **Extra Help**, helps people with limited income and resources lower or cut Part D costs:

\$0

Drug plan premium

\$0

Annual deductible

\$12.15

Copay for brand-name drugs & \$4.90 copay for generic drugs

- You will get Extra Help **automatically** if you get:
- Full Medicaid coverage
  - Help with your Medicare Part B premiums through a state Medicare Savings Program
  - Supplemental Security Income (SSI) benefits from Social Security
- If you don’t automatically get Extra Help, **you can apply for it** through:
- Medicare (<https://www.medicare.gov/basics/costs/help/drug-costs>)
  - or the Social Security Administration (<https://www.ssa.gov/medicare/part-d-extra-help>)

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### Where to Get Additional Support

#### Prescription Payment Plan

##### Medicare

[Medicare.gov/prescription-payment-plan](https://www.medicare.gov/prescription-payment-plan), or call 1-800-MEDICARE (1-800-633-4227)

##### Part D or Medicare Advantage Plan

Patients can visit their plan's website or call them directly

#### Extra Help Benefits for Part D in 2025

##### Social Security Administration

Visit [ssa.gov/extrahelp](https://ssa.gov/extrahelp) for more information on if they qualify for Extra Help and how to apply. You can also apply over the phone or request an application by calling Social Security at 1-800-325-0778

#### MyHealthcareFinances: Picking a Medicare Plan

##### Tips for Picking a Medicare Plan

[https://webfiles.digitalpfizer.com/how\\_to\\_pick\\_a\\_medicare\\_plan\\_interactive/index.html](https://webfiles.digitalpfizer.com/how_to_pick_a_medicare_plan_interactive/index.html)

##### Medicare, Medicaid, and Other Government Health Insurance

[https://webfiles.digitalpfizer.com/medicare\\_medic\\_aid\\_and\\_other\\_healthcare\\_programs\\_interactive/index.html](https://webfiles.digitalpfizer.com/medicare_medic_aid_and_other_healthcare_programs_interactive/index.html)

#### State Health Insurance Assistance Program (SHIP)

For help with all of these topics, and more, visit SHIP



[Shiphelp.org](https://shiphelp.org)



877-839-2675

