

Updates to Medicare Part D in 2025

New changes to Medicare Part D will lower the maximum out-of-pocket (OOP) costs for all Medicare patients, and more patients will qualify for additional help with their prescription costs.

See inside to learn more about how your patients with Medicare may be able to save on prescription drug costs.

This guide to changes in Medicare Part D programs is provided as a service to healthcare providers and is not comprehensive. Please refer to the Centers for Medicare & Medicaid Services for more information about any coverage, restrictions, or conditions that may apply.

Changes to Medicare Part D in 2025 Will Help More Patients Afford Their Medications^{1,2}

2025 Changes to Medicare Part D

SEE PAGE 3

- **Cap out-of-pocket (OOP) drug costs at \$2000^{1,a}**
 - There will be an annual cap of \$2000 on OOP spending for covered brand and generic prescription drugs^{1,a}
- **Eliminate the coverage gap (donut hole)¹**
- **Establish an optional monthly payment plan to spread OOP costs throughout the year²**
 - This program is not automatic and patients must enroll in advance. Patients cannot enroll in the payment plan at the point-of-sale at the pharmacy^{2,3}
 - If a patient is not yet already enrolled and meets a \$600 OOP threshold based on a single prescription at the point-of-sale, the pharmacy will inform the patient about the program²

2024 Recap of Medicare Part D

- Eliminated the 5% coinsurance in the catastrophic phase (effectively capping OOP drug costs at about \$3300)¹
- Limited increases in the base premium to 6%¹

Low-Income Subsidy (LIS)

SEE PAGES 4-6

- **Full subsidy available to patients at $\leq 150\%$ of the Federal Poverty Level⁴**
- **Income $\leq \$30,660$ per year^{5,b}**
- **Assets $\leq \$31,360$ per year^{4,b}**

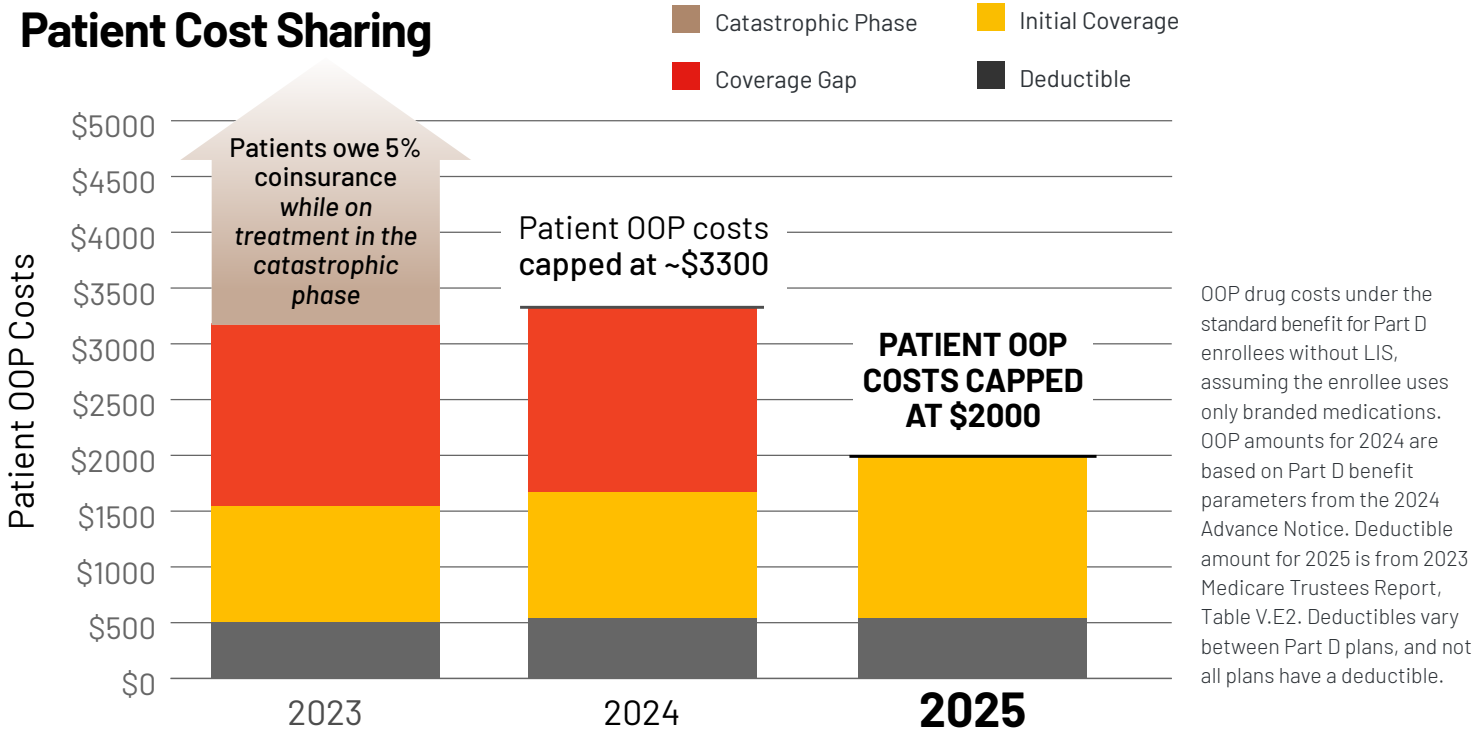
^aThis cap will be indexed to rise at the rate of growth in per capita Part D costs and does not apply to OOP spending on drugs covered under Medicare Part B.¹

^bFigures are for married couples living together. See pages 4-6 for more information.

Help your patients minimize their OOP costs. Encourage them to apply for Extra Help from Medicare and financial aid from nonprofit foundations.

Changes to Medicare Part D Will **Lower Patients' Costs** for Medications¹

Patient Cost Sharing



Starting in 2025, OOP costs are capped at \$2000, and there will be no differential treatment for brand and generic drugs. In 2024, a patient would have paid ~\$3300 if taking only brand drugs and ~\$8000 if taking only generic drugs before they reach the catastrophic phase.⁶

Total OOP costs by year

	2023	2024	2025
Deductible	100% of drug costs up to \$505	100% of drug costs up to \$545	100% of drug costs up to \$540
Initial Coverage	25% of drug costs up to \$4660 in total drug costs (≤\$1038 OOP)	25% of drug costs up to \$5029 in total drug costs (\$1121 OOP)	25% of drug costs up to \$2000 OOP
Coverage Gap	25% of drug costs up to \$3100 OOP	25% of drug costs up to ~\$3300 OOP	None
Catastrophic Phase	5% of drug costs with no maximum OOP	None	None

Starting in 2025, Part D members will have the opportunity to spread their OOP costs throughout the year.¹

Many Medicare Beneficiaries Qualify for Extra Help and **Don't Realize It**⁵

Medicare beneficiaries may qualify for Extra Help if their yearly income and resources are within these limits^{4,5,a}:

	ANNUAL INCOME ^b	OTHER RESOURCES ^{b,c}
Individual	Limited to \$22,590 per year	Limited to \$15,720 per year
Married couple living together	Limited to \$30,660 per year	Limited to \$31,360 per year

Medicare beneficiaries who meet any of the following conditions **automatically qualify for Extra Help with a full subsidy** and don't need to apply⁸:

- **Receive full Medicaid coverage**
- **Are in a Medicare Savings Program**
- **Receive Supplemental Security Income (SSI) benefits**

These individuals will receive a purple letter from Medicare.



Most people who qualify for Extra Help will have their annual deductible and monthly premium waived⁷

2025 Medicare Part D Extra Help Cost-Sharing Benefits⁴

Patients receiving Extra Help will pay <ul style="list-style-type: none">• \$0 annual deductible• Copayment of \$4.90 for generic drugs and \$12.15 for brand-name drugs	Dual-eligible^d patients will pay <ul style="list-style-type: none">• \$0 annual deductible• Copayment of \$1.60 or \$4.90 for generic drugs and \$4.80 or \$12.15 for brand-name drugs
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^aAnnual income limits are higher in Alaska and Hawaii.⁵
^bIncome and resource limits vary according to the number of dependents living with the Medicare beneficiary and whether the beneficiary has income from work. Limits are as of 2024 and may change in 2025.⁵
^cResources include money in a checking or savings account, stocks, bonds, mutual funds, and Individual Retirement Accounts (IRAs). Resources do not include a primary residence, vehicles, household items, burial plots, up to \$1500 for burial expenses (per person), or life insurance policies.^{3,5}
^dDual-eligible: those who qualify for full Medicaid and Medicare benefits.

Up to **3 Million Americans** Who Qualify for Extra Help **Have Not Enrolled**⁹

Equip and encourage your patients to apply for Extra Help with the information below

Because the application will have questions about your patients' income and resources, they should gather their **relevant documents**^a before applying. These documents may include:

- **SOCIAL SECURITY CARD**
- **BANK ACCOUNT STATEMENTS**
- **INVESTMENT STATEMENTS**
(including IRAs, stocks, bonds, mutual funds, etc)
- **TAX RETURNS**
- **PAYROLL SLIPS**
- **SOCIAL SECURITY BENEFIT AWARD LETTER**
- **STATEMENTS FOR PENSIONS,**
veterans' benefits, annuities, and
Railroad Retirement Board benefits



Don't assume your patients know if they are eligible for Extra Help.

The sooner your patients apply, the sooner they can begin receiving benefits. See instructions below that can help support your patients as they apply for Extra Help.

^aPatients who are married may also have to document relevant information regarding their spouse.

Applying for Extra Help

When they are ready, patients can apply for Extra Help by following these steps:

- Go online to **www.ssa.gov/extrahelp**

What should I do if I need a Social Security card or account?

Social Security

Benefits, Medicare, Card & record, Search, Equal, Sign in

Apply for Medicare Part D Extra Help

Plan for Medicare
Sign up for Medicare
Request to lower IRMAA
Apply for Part D Extra Help
Manage Medicare benefits

Apply for Medicare Part D Extra Help program

The Extra Help program helps people with limited income and resources (lower or out Part D costs).

Medicare Part D provides drug coverage. The Extra Help program helps with the cost of your prescription drugs, the deductibles and copays. You can apply for Extra Help any time before or after you enroll in Part D.

Documents to help you prepare

Apply for Extra Help online

Start application Check waiting application

For support completing this task

Set up an appointment

Medicare representatives can help you with your application. They'll help you to provide information about your financial situation.

Call: 1-800-772-1213
TTY: 1-800-325-0778

Tell the representative you want to set up an appointment to apply for Part D Extra Help.

Call TTY: 1-800-325-0778 if you're deaf or hard of hearing.

Learn more about Extra Help

Visit <https://www.ssa.gov/extrahelp> for more information about the Extra Help program.

Click **Start application**

Extra Help With Medicare Prescription Drug Plan Costs

Welcome!

The Medicare Prescription Drug program gives you a choice of prescription plans that offer various types of coverage.

You may be able to get extra help to pay for the monthly premiums, annual deductibles, and co-payments toward the Medicare Prescription Drug program. However, you must be enrolled in a Medicare Prescription Drug plan to get the extra help.

What Is This Application?

This is an application for Extra Help and does not enroll you in a Medicare prescription drug plan. You will have to enroll directly with an approved Medicare prescription drug provider for coverage. If you need information about Medicare Prescription Drug plans or how to enroll in a plan, call 1-800-MEDICARE (TTY 1-877-486-2048) or visit www.medicare.gov.

Who Should Complete This Application For Extra Help With Medicare Prescription Drug Plan Costs?

You should complete this application for Extra Help on the Internet if:

- You have Medicare Part A (hospital insurance) and/or Medicare Part B (medical insurance); and
- You live in one of the 50 States or the District of Columbia; and
- Your combined savings, investments, and real estate are not more than \$33,240. If you are married and living with your spouse, or \$16,660 if you are not married or not living with your spouse. (We do not count your home, vehicles, personal possessions, life insurance, burial plans, irrevocable burial contracts or bank payments from Social Security or SSI.) If you have more than these amounts, you may not qualify for the extra help. However, you can still enroll in an approved Medicare prescription drug plan for coverage.

EXCEPTION: Even if you meet these conditions, **DO NOT** complete this application if you have Medicare and Supplemental Security Income (SSI) or Medicare and Medicaid because you automatically will get the extra help.

How Can You Get The Extra Help?

To get online help with Medicare Prescription Drug plan costs, you must complete and submit this application. It will review your application and send you a letter to let you know if you qualify for extra help.

NOTE: To apply, you must live in one of the 50 States or the District of Columbia.

If you need help completing this application, call Social Security toll-free at 1-800-772-1213 (TTY 1-800-325-0778).

The fee may be able to get help from your State with other Medicare costs under the Medicare Savings Programs. By completing this form, you will start your application process for a Medicare Savings Program. We will send you information about your State and let you know if you qualify for a Medicare Savings Program unless you tell us not to when you complete this application.

If you need information about Medicare Savings Programs, Medicare Prescription Drug plans or how to enroll in a plan, call 1-800-MEDICARE (TTY 1-877-486-2048) or visit www.medicare.gov. You also can request information about how to enroll for your health insurance Counseling and Assistance Program (CHAP). The CHAP offers help with your Medicare questions.

What Do You Want To Do?

Apply Now
Return to an Existing Application

Not Sure If You Should Use This?

Find Out If You Qualify

Privacy Policy | Website Problem & Other Important Information | Site Map

Click **Apply Now**

Extra Help With Medicare Prescription Drug Plan Costs

Preparing To Find Out If You Qualify

Do not use your browser's Back button.

To go back, select Previous at the bottom of the page.

What information will you need?

To determine if you could be eligible for extra help with prescription drug plan costs, Social Security needs information about your (and your spouse's, if married and living together) income and resources. Documents that may help you prepare include:

- Social Security card;
- bank account statements, including checking, savings, and certificates of deposit;
- Individual Retirement Accounts (IRAs), stocks, bonds, savings bonds, mutual funds, other investment statements;
- life insurance;
- payroll slips; and
- your most recent Social Security benefits award letters or statements for Railroad Retirement benefits, Veterans Benefits, pensions and annuities.

If you do not have these documents, provide us with your best estimate so that we can let you whether you are likely to qualify for extra help with your prescription drug costs. This information is to help you complete the application. You will not have to submit the documents unless contacted by a Social Security representative.

You may apply regardless of the Qualifier results. If you apply right away, the information you enter will be saved in the application. Whenever you enter here will not affect your benefits or the application decision; you can change your financial information when you enter the application.

What if you need to stop and come back later?

If you select Apply Now, you will get a Recovery Number after you fill in your name and address. If you choose to Save & Exit this application before it is complete, you may use your Recovery Number at any time to come back. You will also be able to change your answers later.

Can you verify your information?

What you have completed the application, you will get a full summary of the information you entered. You can make changes if necessary prior to submission. After you submit the application electronically, you will be able to print or save a receipt, and your submitted application.

How long can you wait on each page?

For security reasons, there are time limits on each page. You will receive a warning after 25 minutes but you can extend your time on that page. After the third warning on a page, you must move to another page or your time will run out and all of your work on that page will be lost.

If you have turned JavaScript off in your browser, you will not receive these warnings and, after 30 minutes on a page, you must go to another page or your application session will end, and your work on the last page will be lost.

If you are unsure about how to use this application, you can find more details on the following pages:

- How the Online Application Works

Next Previous

Click **Next**

Extra Help With Medicare Prescription Drug Plan Costs

Should You Use This Application?

Not everyone will be able to use the online Application for Extra Help With Medicare Prescription Drug Plan Costs. You must answer a few questions to help determine if you should use this Internet form. Any time there is a link at the end of a question that says "More info," you can follow that link to get help with that question.

Are you **existing** someone (other than your spouse who lives with you) with this application?

More info
☐ No ☐ Yes

If you are helping another person fill out this application, answer the following questions as if you were the person.

Did you (or your spouse, if married and living together) get an application in the mail from us?

More info
☐ No ☐ Yes

Do you (or your spouse, if married and living together) have Medicare?

More info
☐ No ☐ Yes

Are you (or your spouse, if married and living together) 64 years and 9 months old or older?

More info
☐ No ☐ Yes

Have you (or your spouse, if married and living together) received Social Security disability benefits for 24 months; disability benefits based on Lou Gehrig's disease (ALS); or Renal dialysis treatments or a kidney transplant?

More info
☐ No ☐ Yes

In which State do you (and your spouse, if married and living together) live?

More info

What is your marital status?

More info

Do you have combined savings, investments and real estate worth more than \$33,240 if you are married and living with your spouse, or \$16,660 if you are not married or not living with your spouse?

More info
Include the things you own by yourself, with your spouse or with someone else. Do NOT count your home, vehicles, personal possessions, life insurance, burial plans, irrevocable burial contracts or bank payments from Social Security or SSI.
☐ No or Not Sure ☐ Yes

Next Previous

Answer the questions, then click **Next**

If the patient is **eligible**, the website will prompt the patient to complete an application.

Patients may also apply

- By phone to the Social Security Administration at **1-800-772-1213** (TTY 1-800-325-0778); this number can also be used to request that an application be sent via mail
- By phone and fax through the **local Social Security office**; to find the nearest Social Security office, visit <https://secure.ssa.gov/ICON/main.jsp>

LOW-INCOME SUBSIDY

Patients May Be Eligible for **Other Resources** That **Offer Financial Support**



State Health Insurance Assistance Programs (SHIPs)

may provide additional options to help with prescription drug costs

(www.shiphelp.org).



Foundation help^a **FundFinder**

(fundfinder.panfoundation.org) is a free resource that provides information about available patient assistance programs and can provide notifications when a disease fund opens at any of the charitable patient assistance foundations. FundFinder provides a listing of patient advocacy organizations for several disease states so users can find additional support services.

^aTaiho Oncology does not influence or control the decisions of independent co-pay assistance foundations; each copay assistance foundation has its own criteria for patient eligibility. We cannot guarantee financial assistance.

References

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