

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}**

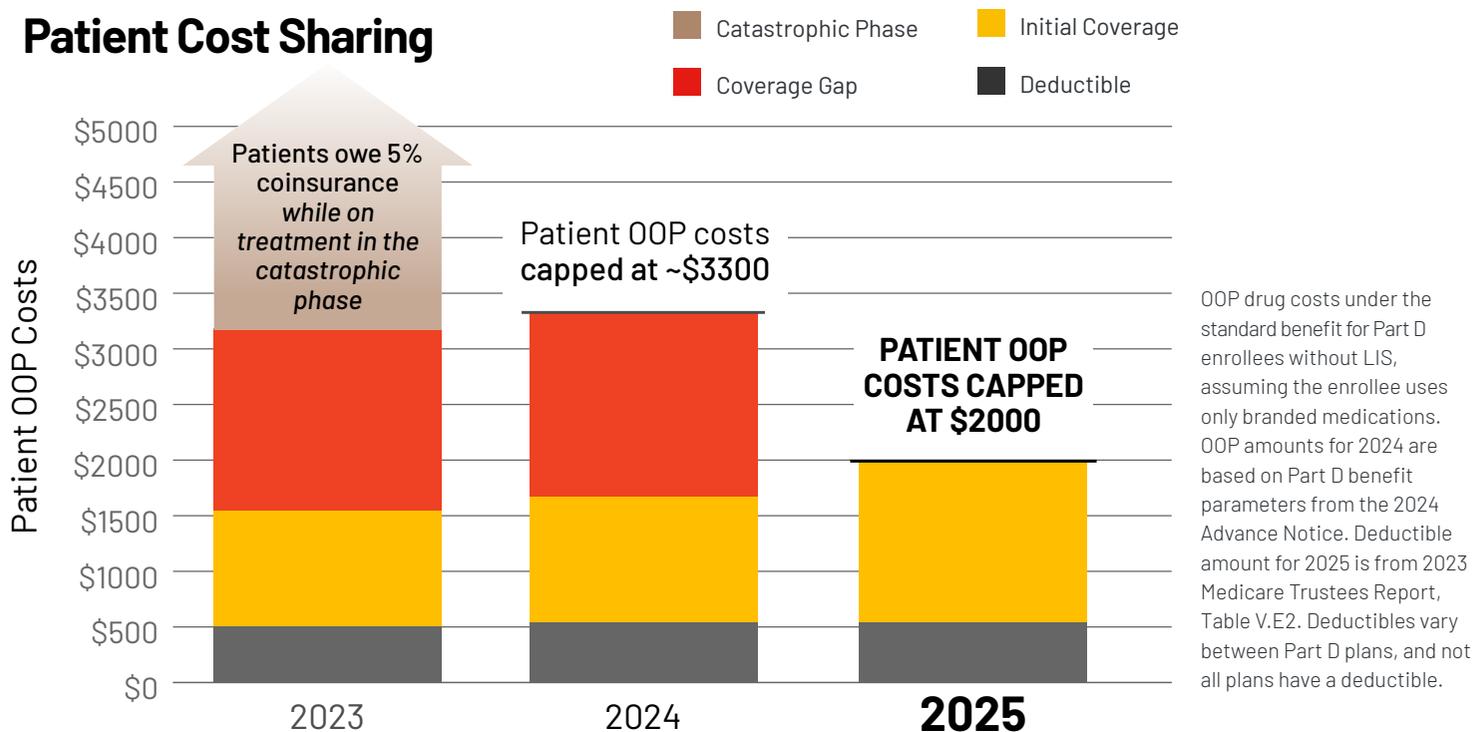
^aThis cap will be indexed to rise at the rate of growth in per capita Part D costs and does not apply to OOP spending on drugs covered under Medicare Part B.¹

^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



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

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.

2025 Medicare Part D Extra Help Cost-Sharing Benefits⁴

Patients receiving Extra Help will pay

- **\$0** annual deductible
- Copayment of **\$4.90** for generic drugs and **\$12.15** for brand-name drugs

Dual-eligible^d patients will pay

- **\$0** annual deductible
- Copayment of **\$1.60** or **\$4.90** for generic drugs and **\$4.80** or **\$12.15** for brand-name drugs

^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.

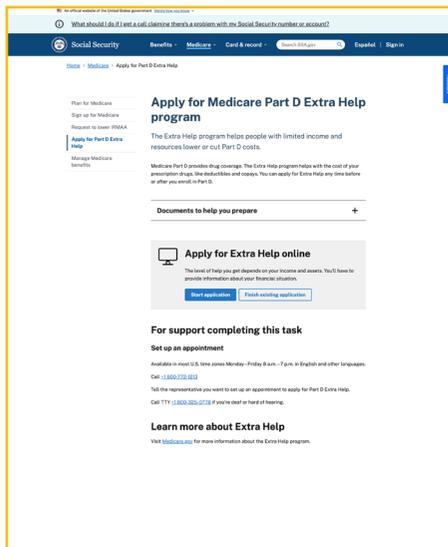
The sooner your patients apply, the sooner they can begin receiving benefits. See instructions below that can help support your patients as they apply for Extra Help.

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

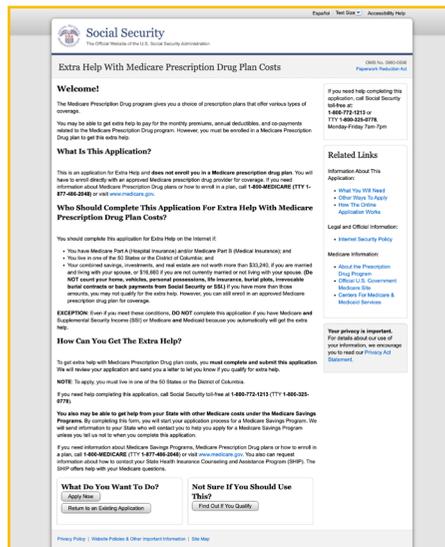
Applying for Extra Help

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

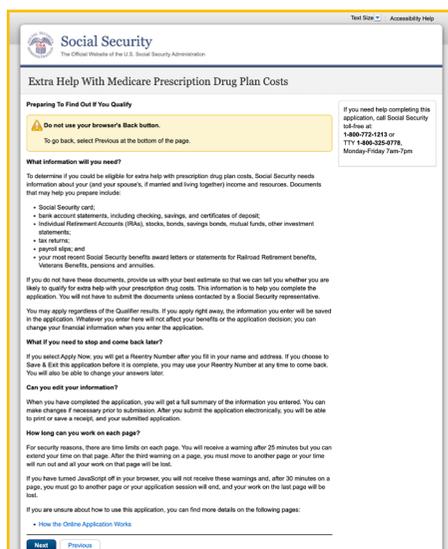
- Go online to www.ssa.gov/extrahelp



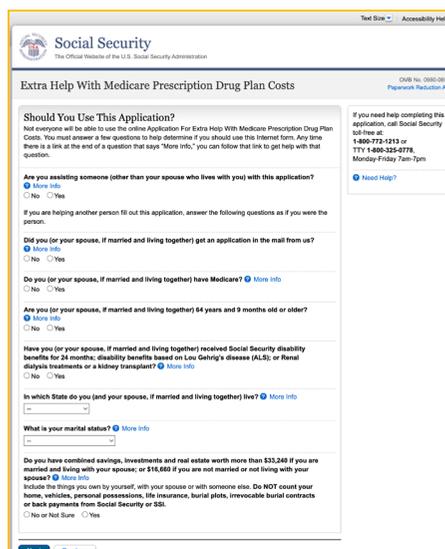
Click **Start application**



Click **Apply Now**



Click **Next**



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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2. Centers for Medicare & Medicaid Services. Fact Sheet: Medicare Prescription Payment Plan Final Part One Guidance. February 29, 2024. Accessed July 8, 2024. <https://www.cms.gov/files/document/fact-sheet-medicare-prescription-payment-plan-final-part-one-guidance.pdf>
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5. Social Security Administration. Understanding the Extra Help With Your Medicare Prescription Drug Plan. Accessed July 8, 2024. <https://www.ssa.gov/pubs/EN-05-10508.pdf>
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8. Centers for Medicare & Medicaid Services. Introduction to the Deemed Notice. Accessed July 8, 2024. <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/LimitedIncomeandResources/Downloads/11166.pdf>
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