

# MEDICARE PRESCRIPTION PAYMENT PLAN

## WHAT IS IT?

The Inflation Reduction Act (IRA) recently created the “Medicare Prescription Payment Plan” which allows patients enrolled in a Part D plan to spread out their Medicare Part D prescription drug expenses throughout the year. This program could be especially helpful for people prescribed high-cost drugs.

## HOW IT COULD HELP:

- Patients can get their prescription drug(s) even if they cannot afford the full cost all at once.
- Patients will pay \$0 at the pharmacy when they get their prescription drug(s).
- Part D plans will directly bill patients monthly for the minimum (capped) amount they owe.
- All covered Medicare Part D drugs filled during the year will be included in the patient’s monthly invoice.
- Beginning January 2025, patients with Part D coverage will not pay more than \$2,000 total in drug expenses (\$2,000 cap).

## TIMELINE:

October 15, 2024 = Opt-in period began for Medicare Prescription Payment Plan.

January 1, 2025 = Medicare Prescription Payment Plan and Medicare Part D \$2,000 out-of-pocket (OOP) cap go into effect.

## ENROLLMENT:

- Part D enrollees **MUST OPT INTO** the Payment Plan.
- All Part D enrollees are eligible for the Payment Plan.
- Part D plans must provide information about the Payment Plan to their enrollees.
- Part D enrollees identified as most likely to benefit (\$600 OOP expense for a single drug) will receive targeted outreach.
- Part D enrollees can opt into or opt out of the Payment Plan at any time during the year (opting in with more months left in the year = lower monthly payments ).
- Your Part D plan will notify your pharmacy when you opt in so you will pay \$0 at the pharmacy when you get your drug(s).



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## PART D PLANS MUST:

- Determine Part D enrollee’s adjusted minimum (capped) monthly invoice.
- Not bill the Payment Plan participant more than the minimum monthly amount due.
- Process election requests received before January 1, 2025 within 10 calendar days.
- Process election requests received during calendar year 2025 within 24 hours.

## ATTENTION:

- Determine if you qualify for a Medicare Savings Program or the Medicare Part D Low Income Subsidy/Extra Help program.
- These programs lower what you pay instead of just spreading out your costs.
- Plan for the unexpected - diagnoses and costs for treatment can be unpredictable.

### Additional Resources:

[www.medicare.gov/prescription-payment-plan](http://www.medicare.gov/prescription-payment-plan)

[www.cancercares.org/blog/new\\_medicare\\_prescription\\_payment\\_plan\\_2024](http://www.cancercares.org/blog/new_medicare_prescription_payment_plan_2024)