

2023-2024 Medicare Part D Coverage Update Vonda McClendon, RCphT | Rx Compliance, Retail Services | Texas Oncology

Background

- Medicare Part D is an outpatient prescription drug benefit for people with Medicare.
- Medicare was enacted in July of 1965; however, Part D began covering prescription drugs January 1, 2006.
- Current updates to Medicare D will coincide with the phased implementation of the IRA (Inflation Reduction Act) of 2022.

2024 Medicare changes

- > The standard Medicare Part D deductible is \$545. > After the deductible is met, Part D beneficiaries continue to pay 25% of covered Rx costs up to \$5,030. At that time, the patient enters the Coverage Gap (donut hole).
- > The Part D Senior Savings Model will be discontinued.
- The estimated Part D average premium will increase 6% (with IRA premium stabilization), which may affect approximately 25% of Medicare Part D beneficiaries.
- > Medicare Part D plan members will not have any OOP (out of pocket) costs after reaching the RxMOOP (max out of pocket) of \$8,000.
- > The Inflation Reduction Act (IRA) of 2022 eliminates beneficiary cost sharing in the Catastrophic Coverage phase.
- Full-LIS (low-income subsidy) Program status will be expanded.

https://q1medicare.com/news/Article.php?article=medicare-part-d-changes-2023-to-2029&article_id=962&category_id=18&utm_source=2023_0822_60_NL&utm_medium=email&utm_campaign=newsletter

2023 Medicare changes

 \triangleright No co-pays for vaccines that are recommended by the ACIP, such as Shingles and Pneumonia vaccines.

 \triangleright Drug price increases tied to inflation.

Insulin included on a Medicare Part D formulary will have a \$35 monthly copay and will not be subject to the plan's deductible or Coverage Gap (donut hole).

0%

4 Q10 year 2023

2024 Medicare Part D Standard Benefit Changes CMS Standard Defined 2024 Medicare Part D coverage when Catastrophic Coverage cost-sharing is "eliminated" for plan members 120% 100% Initi 80% Initial Deductible 60% you pay 100% 40% 20%

Initial Deductible

Coverage Gap (Donut Hole)

Goal of Medicare Updates

- > To increase health insurance access to the nation's elderly and limited incomes.
- To meet the demand for hospital, medical and other health cost as the population ages beyond 65 and those with disabilities.
- To lower out-of-pocket medication expenses for Part D beneficiaries.

	Initial Cove (measured by drug o	y total retail spendin	g threshold rODP)	
Deductible ou pay 100%	Initial Coverage phase you pay 25%	Coverage Gap you pay 25%	Catastrophic Coverage you pay 0%	
			No additional costs for formulary drugs once reaching TrOOP - the prescription drug maximum out-of- pocket spending limit or RxMOOP	

Initial Coverage Phase Catastrophic Coverage

Conclusion

> 2023-2024 Medicare Part D changes are partnered with the phased implementation of the IRA (Inflation Reduction Act) of 2022.

The Coverage Gap or Donut Hole ends when the True Out-Of-Pocket (TrOOP) cost exceeds \$8,000.

> The aim is increased access to health and medical services for its beneficiaries.

2024 Changes and Cancer Drugs

Eliminating Coinsurance Above the Catastrophic Threshold in 2024 Will Lower Out-of-Pocket Costs by Thousands of Dollars for Medicare Part D Enrollees Who Use Expensive Drugs

Part D enrollee out-of-pocket costs for the top 5 high-cost, commonly used cancer drugs:

Below the catastrophic threshold Above the catastrophic threshold								
Pomalyst								
2023	\$3,100	\$11,800		\$	14,900			
2024	\$3,300	\$3,300						
Revlir								
2023	\$3,100	\$9,700		\$12,800				
2024	\$3,300	\$3,300						
lmbru	vica							
2023	\$3,100	\$9,700		\$12,800				
2024	\$3,300	\$3,300						
Jakaf								
2023	\$3,100	\$9,200	\$12	2,300				
2024	\$3,300	\$3,300						
Ibran	ce							
2023	\$3,100	\$8,300	\$11,400					
2024	\$3,300	\$3,300						