



2023-2024 Medicare Part D Coverage Update

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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.

2023 Medicare changes

- No co-pays for vaccines that are recommended by the ACIP, such as Shingles and Pneumonia vaccines.
- Drug price increases tied to inflation.
- Insulin included on a Medicare Part D formulary will have a \$35 monthly co-pay and will not be subject to the plan's deductible or 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.

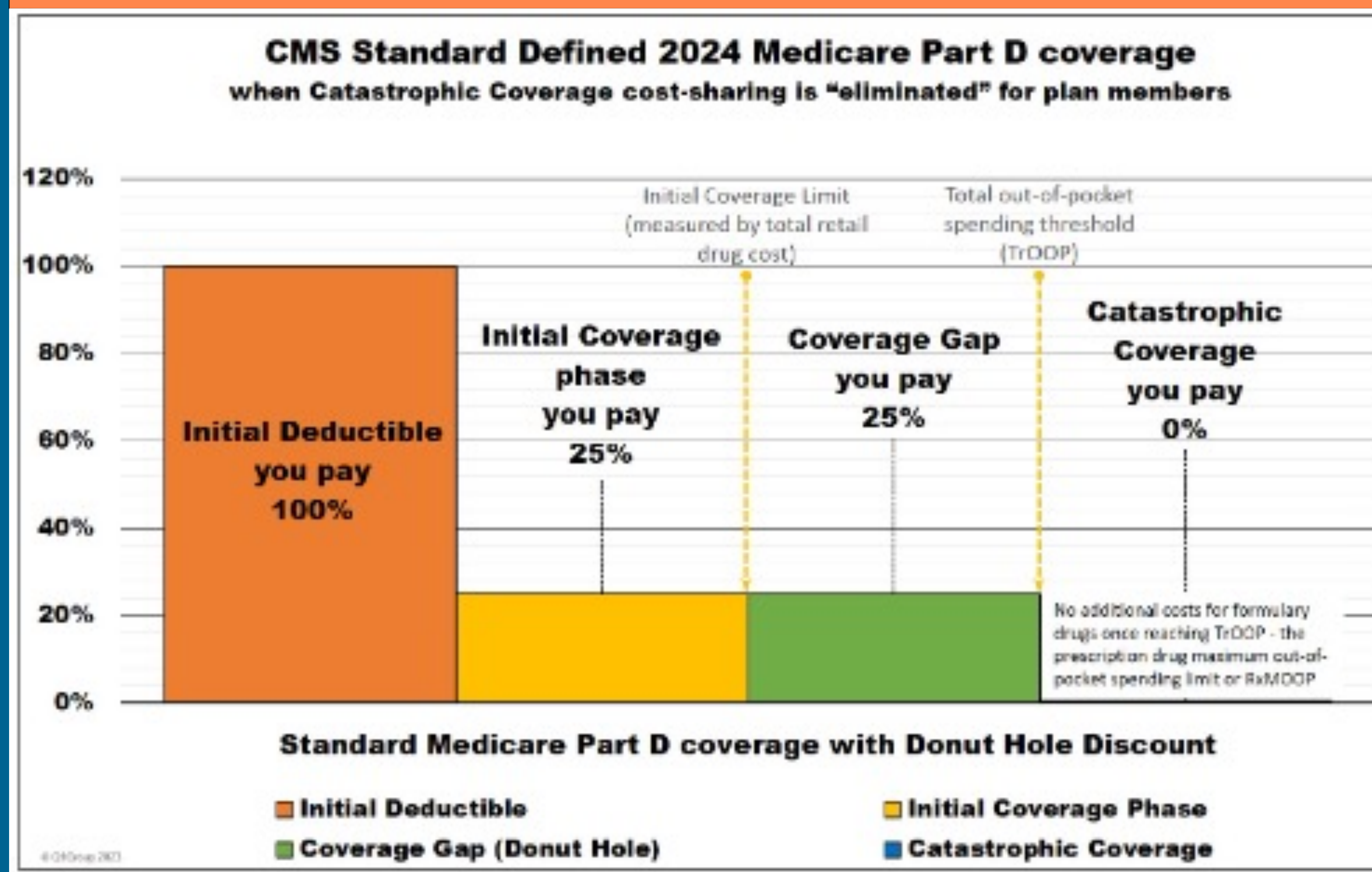
Conclusion

- 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 Medicare changes

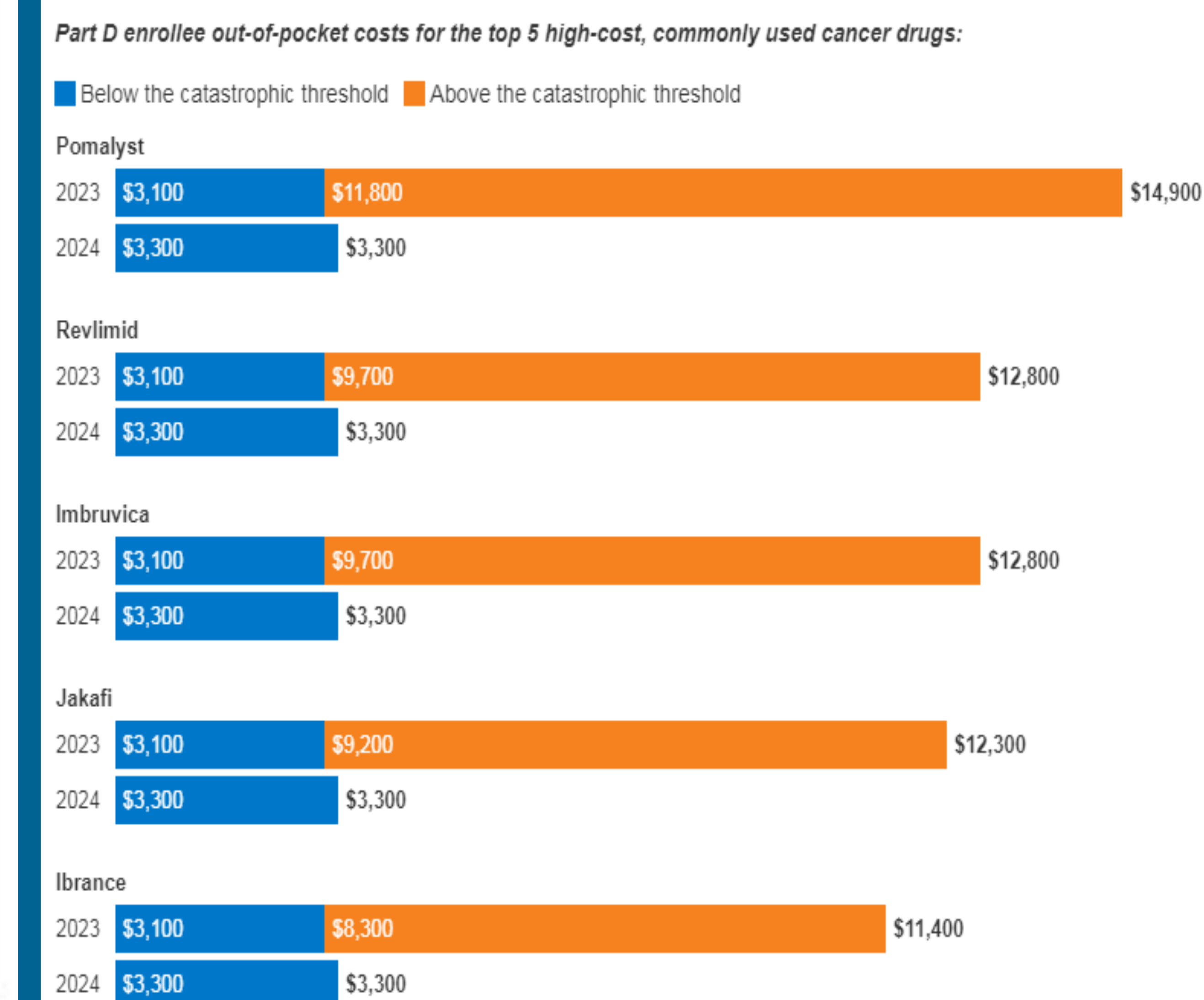
- The standard Medicare Part D deductible is \$545.
- After the deductible is met, Part D beneficiaries continue to pay 25% of covered Rx costs up to \$5,030. At that time, the patient enters the Coverage Gap (donut hole).
- The Part D Senior Savings Model will be discontinued.
- The estimated Part D 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.

2024 Medicare Part D Standard Benefit Changes



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



https://q1.medicare.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

<https://www.kff.org/medicare/issue-brief/changes-to-medicare-part-d-in-2024-and-2025-under-the-inflation-reduction-act-and-how-enrollees-will-benefit/>