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 copay 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.

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2024 Medicare Part D 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.

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 Part D Standard Benefit Changes
- Initial Coverage Limit (measured by total initial out-of-pocket costs) for Medicare Part D.
- Total out-of-pocket spending threshold for catastrophic coverage.
- The Catastrophic Coverage phase begins when the TrOOP cost exceeds $8,000.

2024 Changes and Cancer Drugs
- Part D enrollees who use expensive drugs.
- Accommodates new treatments.
- Ensures access to cancer drugs.
- Lower out-of-pocket costs for Medicare Part D enrollees.

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.
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