



# Medicare prescription coverage for 2025: Everything you need to know

## Your opportunity to save in 2025!

### Lower costs

You will pay no more than **\$2,000 a year** in out-of-pocket costs for **all** of your Part D medicines.<sup>1</sup>

### Option to pay over time

The **Medicare Prescription Payment Plan (MPPP)** is a new program that may make it easier to pay for your medicines. You can choose to spread your Part D out-of-pocket costs into **monthly payments**.<sup>1</sup>

### Why consider MPPP:

- Out-of-pocket costs are what you pay at the pharmacy when you get your medicine.<sup>2</sup>
- If you have a hard time paying for your medicine, then enrolling in the MPPP may be for you.<sup>3</sup>

### How to enroll:

- If you are enrolled in the MPPP, you can pay your Part D out-of-pocket costs for your medicines in monthly payments.<sup>1</sup>
- This means that you don't pay higher out-of-pocket costs when you first fill an expensive medication. Instead, you can pay the cost in monthly installments over the course of the year.<sup>1</sup>

### When to enroll:

- There is **no cost** to join the program.<sup>1</sup>
- The MPPP starts in January 2025.<sup>4</sup>
- If you have Part D prescription coverage, you can **enroll in the MPPP until December 4, 2024 or anytime during 2025**.<sup>4</sup>

Whether this option will benefit a particular beneficiary may depend on individual circumstances and preferences. Patients should reach out to their Part D plans to ensure that they understand their coverage and out-of-pocket costs before enrolling in this option.



### How do I enroll?

Talk to your Medicare prescription plan representative or your pharmacy to see if the MPPP is right for you. You can sign up during Medicare open enrollment (October 15 to December 7, 2024) or at any time during 2025.<sup>4,5</sup>

# Ask your Medicare Prescription Plan Representative about the MPPP

Join during open enrollment this year  
(October 15 to December 7)  
or anytime during 2025<sup>5</sup>



Let's look at how a patient's out-of-pocket payments look if they do or do not sign up for the MPPP during open enrollment.\*

- John is enrolled in a Part D prescription plan and is not receiving Medicare Extra Help.
- John is taking a medicine that costs \$10,000 a month that he receives in January.
- He has a maximum out-of-pocket cost of \$2000 a year for all of his Part D prescription medicines.

## If patients don't enroll

in the MPPP during open enrollment, they can still join the program at any time in 2025.

John does not enroll in the MPPP		John enrolled in the MPPP <sup>1</sup>	
\$2,000			
\$0	JAN	\$166.67	
\$0	FEB	\$166.67	
\$0	MAR	\$166.67	
\$0	APR	\$166.67	
\$0	MAY	\$166.67	
\$0	JUN	\$166.67	
\$0	JUL	\$166.67	
\$0	AUG	\$166.67	
\$0	SEP	\$166.67	
\$0	OCT	\$166.67	
\$0	NOV	\$166.67	
\$0	DEC	\$166.67	
John pays his \$2,000 out-of-pocket cost in a SINGLE PAYMENT IN JANUARY		John pays his \$2,000 out-of-pocket cost monthly SPREAD ACROSS THE YEAR	

\*The examples above assume that the patient is taking a medicine that costs \$10,000 a month. Patients enrolled in MPPP taking lower-cost medicines may have out-of-pocket costs that may change from month to month. Patients receiving Medicare Extra Help benefits would have a \$2000 out-of-pocket cap but will have monthly costs that are lower than displayed above.

**References:** 1. Maximum Monthly Cap on Cost-Sharing Payments Under Prescription Drug Plans: Draft Part One Guidance on Select Topics, Implementation of Section 1860D-2 of the Social Security Act for 2025, and Solicitation of Comments. US Department of Health & Human Services. Accessed July 3, 2024. <https://www.cms.gov/files/document/medicare-prescription-payment-plan-part-1-guidance.pdf> 2. Out-of-pocket costs. HealthCare.gov. Accessed July 3, 2024. <https://www.healthcare.gov/glossary/out-of-pocket-costs/> 3. Medicare Prescription Payment Plan: Final Part One Guidance on Select Topics, Implementation of Section 1860D-2 of the Social Security Act for 2025, and Response to Relevant Comments. US Department of Health & Human Services. Accessed July 3, 2024. <https://www.cms.gov/files/document/medicare-prescription-payment-plan-final-part-one-guidance.pdf> 4. Medicare Prescription Payment Plan Implementation Timeline. Centers for Medicare and Medicaid. Published February 2024. Accessed July 3, 2024. <https://www.cms.gov/files/document/medicare-prescription-payment-plan-timeline.pdf> 5. The Centers for Medicare & Medicaid Services. Joining a plan. Medicare.gov. Accessed July 25, 2024. <https://www.medicare.gov/basics/get-started-with-medicare/get-more-coverage/joining-a-plan>