

Medicare Part D: Understanding patient prescription drug costs

Understanding your patients' out-of-pocket (OOP) costs is essential for supporting medication adherence. Significant changes to Medicare have made access to certain Part D drugs more affordable for beneficiaries.¹



What patients will pay in 2026²



Deductible

100% of medication costs up to a \$615 maximum deductible

- Deductibles vary by plan



Initial coverage

25% coinsurance until a \$2,100 OOP maximum for covered medications

- Includes generic and brand name drugs



Catastrophic coverage

\$0 for covered medications after meeting the \$2,100 maximum

What's not included in the \$2,100 OOP maximum³

Monthly Part D plan premiums

Costs for drugs NOT covered by their Part D plan

Drugs covered under Medicare Part B

Managing monthly costs^{4,5}

The **Medicare Prescription Payment Plan (MPPP)** offers enrollees the option to spread out prescription drug costs over monthly payments throughout the year.

Who may benefit most:

- Patients with chronic conditions who face high drug costs early in the year
- Patients who are not eligible for financial assistance programs including the **Extra Help/Low Income Subsidy (LIS)**

Patients can learn more about the MPPP at [Medicare.gov](https://www.Medicare.gov) or by contacting their plan. >

! This option is offered through existing drug coverage and can help patients manage costs, but does not save money or lower drug costs.

Reducing OOP costs with the Extra Help/LIS program⁴

In 2026, your patients may qualify for the Extra Help program if they meet the following criteria:

	Annual income limits*	Resource limits†
Individual	\$23,475	\$17,600
Married couple	\$31,725	\$35,130

*If income is higher, patient may still qualify if they still work, live in Alaska or Hawaii, or has dependents living with them

†Resources include stocks, bonds, mutual funds, and money in a checking, savings, or retirement account

What Extra Help means for your patients⁴

No Part D plan deductibles or premiums

Significantly reduced medication costs:

\$5.10 MAXIMUM COPAY
FOR GENERIC DRUGS

\$12.65 MAXIMUM COPAY
FOR BRAND NAME DRUGS



Some patients are automatically enrolled, including those who are⁴:

- Dual eligible for Medicare and Medicaid
- Receiving Supplemental Security Income (SSI)
- Enrolled in other Medicare Savings Programs (MSPs)

If patients don't qualify automatically for Extra Help, they can apply any time through the Social Security Administration (SSA) at [SSA.gov/extrahelp](https://ssa.gov/extrahelp).

Dual eligible patients who lose their Medicaid must reapply for Extra Help through SSA.⁶

Encourage patients to⁴:

- Review Part D plan options every year during open enrollment to ensure their prescriptions are on formulary –Dual eligible patients may be able to change plans monthly
- Apply for the Extra Help program; even those with modest incomes and resources may qualify

Patients can contact their State Health Insurance Assistance Program (SHIP) for free insurance counseling to help choose and navigate Part D coverage.

[Shiphelp.org](https://shiphelp.org)
877-839-2675

References: 1. Cubanski J. A current snapshot of the Medicare Part D prescription drug benefit. October 7, 2025. Accessed November 12, 2025. <https://www.kff.org/medicare/a-current-snapshot-of-the-medicare-part-d-prescription-drug-benefit>. 2. Centers for Medicare & Medicaid Services. How Much Does Medicare Drug Coverage Cost? Accessed November 11, 2025. <https://www.medicare.gov/health-drug-plans/part-d/basics/costs>. 3. PAN Foundation. Understanding the Medicare Part D Cap. Accessed November 11, 2025. <https://www.panfoundation.org/understanding-the-medicare-part-d-cap>. 4. Centers for Medicare & Medicaid Services. Medicare & You 2026. Accessed November 11, 2025. <https://www.medicare.gov/publications/10050-medicare-and-you.pdf>. 5. Centers for Medicare & Medicaid Services. Medicare Prescription Payment Plan: Before Using This Payment Option. Accessed November 11, 2025. <https://www.medicare.gov/prescription-payment-plan/before-payment-option>. 6. The National Law Review. Congressional Budget Proposal Includes Adjustments to Dual-Eligible Enrollment Pathways and Medicare Savings Program Rules. June 24, 2025. Accessed November 11, 2025. https://natlawreview.com/article/congressional-budget-proposal-includes-adjustments-dual-eligible-enrollment#google_vignette.