



Major Changes for Medicare 2025

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The Inflation Reduction Act

The Inflation Reduction Act (IRA) has resulted in four significant changes to drug plans.

- *Elimination of the coverage gap or donut hole
- *\$2,000 out of pocket cap
- *A shift in cost sharing in the catastrophic phase
- *A new way of paying for your drugs

Enrollees can now spread payments out over a 12-month period instead of paying the high deductible of the first fill at the pharmacy at the beginning of the year.

This is good news for those paying up to \$8,000 out of pocket for medications in 2024. The bad news is that most of Part D premiums are greatly increasing with the exception of a few.

Medicare Advantage Plans

Several companies have Medicare Advantage plans that will be exiting the program. Termination letters were mailed starting October 1. If you received one, the bad news is you must select a new plan for 2025. The good news is when a company terminates a plan, those enrollees have guaranteed issue if they wish to change to a Medicare Supplement and Part D plan.

Medicare annual enrollment is Oct 15 to Dec 7 each year. Due to the many changes, please contact a broker immediately to get on the calendar for your review or change.