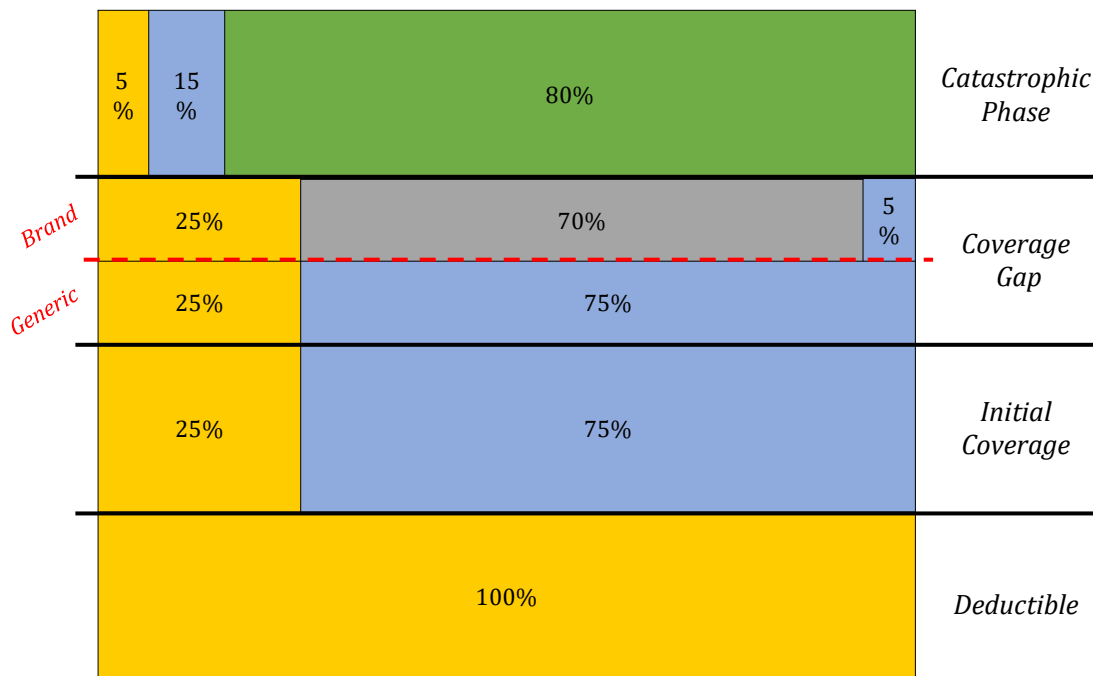


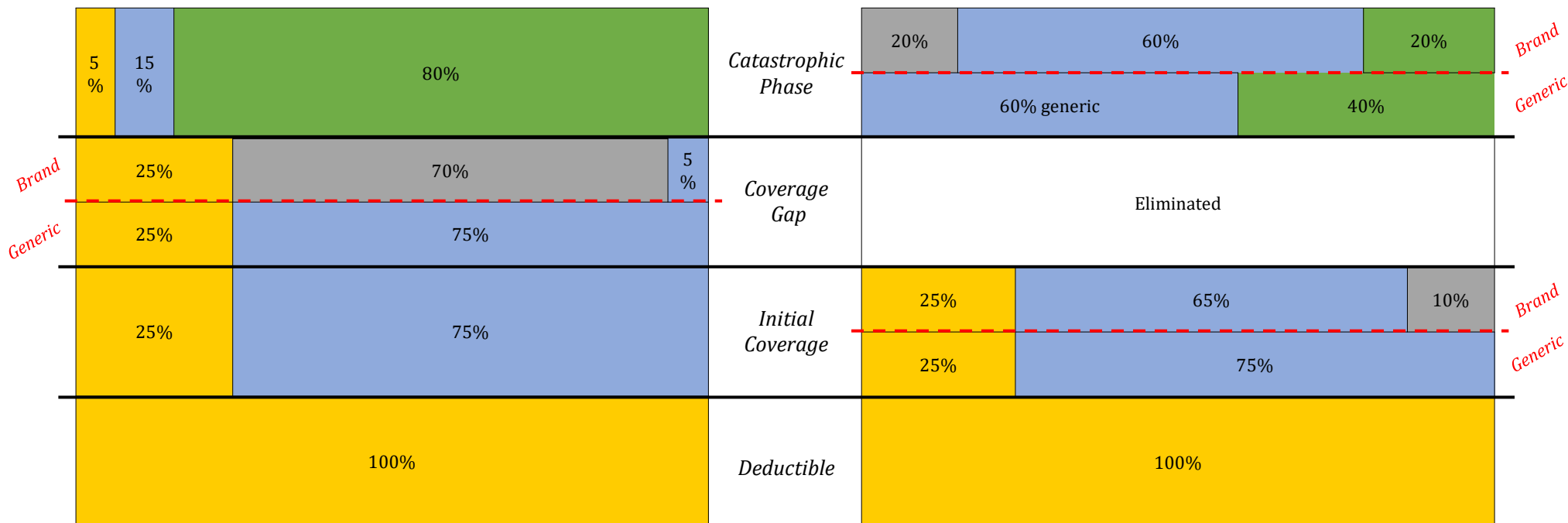
IRA PART D REDESIGN

This provision of the Inflation Reduction Act ([TRP analysis](#)), if enacted, would implement a redesign of Medicare Part D which would include changes to out-of-pocket (OOP) costs, reinsurance amounts, and the current coverage gap discount program. The Part D redesign would not take effect until 2025, but beginning in 2024, beneficiaries would pay zero coinsurance in the catastrophic phase, as described in more detail below.

PART D STANDARD BENEFIT 2022



PART D STANDARD BENEFIT 2025*



Plan ■ Beneficiary ■ Manufacturer ■ Medicare ■

Under current law, the OOP spending threshold is met after the coverage gap phase and is predicted to be roughly \$3,250 for the 2024 plan year, based on brand drug data.

The OOP spending threshold will be met after the initial coverage phase and be capped at \$2,000 in 2025, eliminating the coverage gap.

Other Changes:

- Caps premium growth at 6% for PDPs through 2029.
- HHS can make a one-time premium adjustments to the PDP premium in 2030.

* While the redesign would not take effect until 2025, beneficiaries would pay \$0 coinsurance in the catastrophic phase starting in 2024.