

# Updates to Medicare Part D in 2026

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may be able to save on prescription drug costs.

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This guide to changes in Medicare Part D programs is provided as a service to healthcare providers and is not comprehensive. Please refer to the Centers for Medicare & Medicaid Services for more information about any coverage, restrictions, or conditions that may apply.

# 2026 Updates to Medicare Part D Focus on Keeping Medications Affordable for More Patients

## Out-of-pocket (OOP) costs are capped at \$2100<sup>1,2</sup>

- The maximum amount that patients will pay in OOP costs for brand or generic medications is \$2100

## Option to spread out OOP costs<sup>3</sup>

- The Medicare Prescription Payment Plan (MPPP) provides patients the option to spread out their OOP costs throughout the year

**OOP costs include the amount** the patient is responsible for paying after deducting amounts paid by third-party payers<sup>4</sup>

## What patients will pay in 2026<sup>5</sup>

Patients will pay

- **Monthly premium which varies by plan**
- **Annual deductible that varies by plan**
- **MPPP payment, if opted into smoothing<sup>3</sup>**

Patient OOP costs will vary depending on what phase they are in. **Below is the breakdown of what your Medicare patients will pay this year for their medications.**

	2024 <sup>2,6</sup>	2025 <sup>1,7</sup>	2026 <sup>1,7</sup>
Deductible	100% of drug cost up to <b>\$545*</b>	100% of drug cost up to <b>\$590*</b>	100% of drug cost up to <b>\$615*</b>
Initial Coverage	25% of drug costs up to <b>\$5030</b>	25% of drug costs up to <b>\$2000</b>	25% of drug costs up to <b>\$2100</b>
Coverage Gap	25% of drug costs up to <b>\$3300</b> OOP	<b>None</b>	<b>None</b>
Catastrophic Phase	<b>None</b>	<b>None</b>	<b>None</b>

\*The patient will pay \$100 of the cost of their medications until they reach their deductible (eg, \$615 in 2026). The patient then moves to the initial coverage phase where they will pay 25% of the drug costs up to the OOP threshold (eg, \$2100 in 2026).<sup>1</sup>

# The MPPP Can Help Patients **Manage Their Prescription Drug Costs**

**Patients can enroll in the MPPP** during open enrollment in October through December<sup>3</sup>

**or**

At any time during the plan year<sup>3</sup>

- **The MPPP may be right for your patient** if they are paying more than \$600 a month for their prescription medications at the pharmacy<sup>3</sup>
- **The MPPP is available for all patients** enrolled in a Medicare prescription drug plan or a Medicare Advantage plan<sup>3</sup>
- **Patients can enroll** in the MPPP even if they switch plans during the year<sup>8</sup>
- **Patients enrolled** in Medicare Extra Help can also enroll in the MPPP<sup>3</sup>
- **Patients should evaluate** the balance of charity or foundation support for 2025, as it may eliminate the need to enroll in the program

**If your patient enrolled in the MPPP during 2025, their enrollment automatically continues in 2026<sup>3</sup>**

**Amounts can vary** from patient to patient and from month to month. Patients should speak with their health plan for more information<sup>3</sup>

**Discuss MPPP with your patients** to see if they would benefit from dividing OOP costs into monthly installments

# Medicare Extra Help Can Help Patients With Their Prescription Costs

**Medicare Extra Help** is a program to help people with limited income and assets pay for their prescription drugs.

**Medicare beneficiaries** may qualify for Extra Help if their yearly income and resources are within these limits.<sup>9,10\*</sup>

	ANNUAL INCOME	OTHER RESOURCES
Individual	Limited to <b>\$23,475</b>	Limited to <b>\$17,600</b>
Married couple	Limited to <b>\$31,725</b>	Limited to <b>\$35,130</b>

Medicare beneficiaries who meet any of the following conditions **automatically qualify for Extra Help** and don't need to apply<sup>11</sup>:

- **Receive full Medicaid coverage**
- **Are in a Medicare Savings Program**
- **Receive Supplemental Security Income (SSI) benefits**

These individuals will receive a purple letter from Medicare.

Patients who qualify for Extra Help pay<sup>11,12</sup>

- **No monthly premium**
- **No annual deductible**
- **No Part D late enrollment penalty**
- **A reduced amount for both generic and brand-name drugs**

**Patients receiving Extra Help** will pay<sup>12</sup>

- **\$5.10** for generic drugs
- **\$12.65** for brand-name drugs

**Dual-eligible patients** will pay<sup>12†</sup>

- **\$1.60** or **\$5.10** for generic drugs
- **\$4.90** or **\$12.65** for brand-name drugs

\*Income and resource limits are as of 2025 and may change in 2026. Income limits are higher in Alaska and Hawaii.<sup>10</sup>

†Dual eligible beneficiaries are those who qualify for both Medicare and Medicaid benefits.

# Up to **3 Million Americans** Who Qualify for Extra Help **Have Not Enrolled**<sup>9</sup>

## **Equip and encourage your patients to apply for Extra Help with the information below**

Because the application will have questions about your patients' incomes and resources, they should gather their **relevant documents**<sup>a</sup> before applying. These documents may include:

- **SOCIAL SECURITY CARD**
- **BANK ACCOUNT STATEMENTS**
- **INVESTMENT STATEMENTS**  
(including IRAs, stocks, bonds, mutual funds, etc)
- **TAX RETURNS**
- **PAYROLL SLIPS**
- **SOCIAL SECURITY BENEFIT AWARD LETTER**
- **STATEMENTS FOR PENSIONS,**  
veterans' benefits, annuities, and  
Railroad Retirement Board benefits



***Don't assume your patients know if they are eligible for Extra Help.***

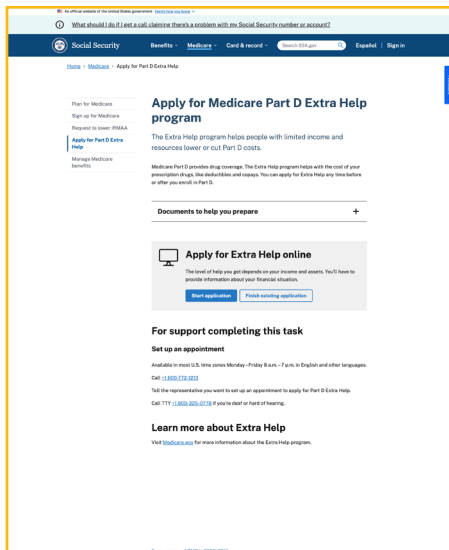
*The sooner your patients apply, the sooner they can begin receiving benefits. See instructions below that can help support your patients as they apply for Extra Help.*

<sup>a</sup>Patients who are married may also have to document relevant information regarding their spouse.

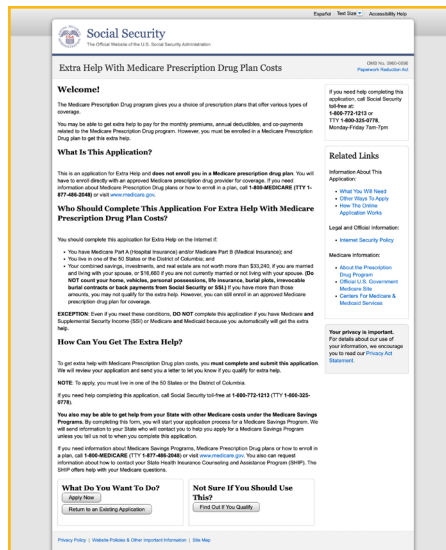
# Applying for Extra Help

## When they are ready, patients can apply for Extra Help by following these steps:

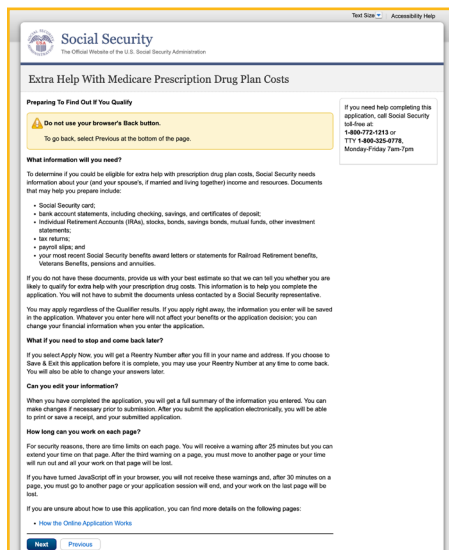
- Go online to [www.ssa.gov/extrahelp](http://www.ssa.gov/extrahelp)



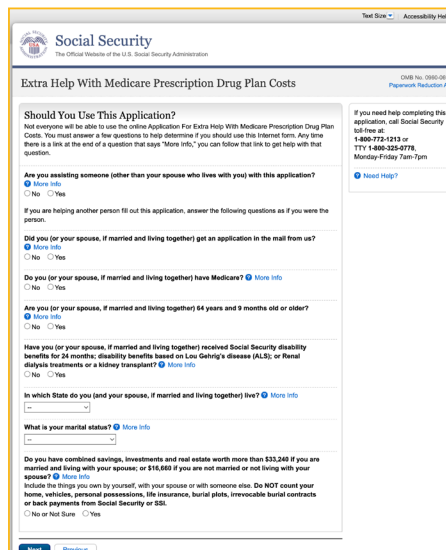
Click **Start application.**



Click **Apply Now.**



Click **Next.**



Answer the questions, then click **Next.**

If the patient is **eligible**, the website will prompt the patient to complete an application.

Patients may also apply

- By phone to the Social Security Administration at **1-800-772-1213** (TTY 1-800-325-0778); this number can also be used to request that an application be sent via mail

- By phone and fax through the **local Social Security office**; to find the nearest Social Security office, visit <https://secure.ssa.gov/ICON/main.jsp>

**LOW-INCOME SUBSIDY**

# Patients May Be Eligible for **Other Resources** That **Offer Financial Support**



## **State Health Insurance Assistance Programs (SHIPs)**

may provide additional options to help with prescription drug costs

([www.shiphelp.org](http://www.shiphelp.org)).



## Foundation help<sup>a</sup> **FundFinder**

([fundfinder.panfoundation.org](http://fundfinder.panfoundation.org)) is a free resource that provides information about available patient assistance programs and can provide notifications when a disease fund opens at any of the charitable patient assistance foundations. FundFinder provides a listing of patient advocacy organizations for several disease states so users can find additional support services.

<sup>a</sup>Taiho Oncology does not influence or control the decisions of independent co-pay assistance foundations; each co-pay assistance foundation has its own criteria for patient eligibility. We cannot guarantee financial assistance.

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