

MEDICARE PART D - JANUARY 1, 2026

- Prescription drug plans are available from five insurers offering nine different plans at an average premium cost of \$48.89 a month. (\$586.68 per year)
- In most cases policy holders will pay the first **\$615** (called a “deductible”) One of the nine plans offer no deductible.
- Initial Coverage Limits will be 25% of costs for covered generic and brand name drugs until the spending total of \$2100.00 has been reached.
- **Total out-of-pocket** expenses (not including plan premiums) equals **\$2,100.00**. (\$615.00 deductible, \$1,485.00 co-pay)
- Once the \$2,100.00 total out-of-pocket threshold has been reached, Medicare will then pay 100% of prescription drug expenses – referred to as the “Catastrophic Coverage Period”.
- An option for 2026 is the **Medicare Prescription Payment Plan**. This is a no cost voluntary program that offers the ability to pay \$2,100.00 of expenses over 12 months. One must contact Part D prescription drug plan providers to sign up for this program. For more information go to www.medicare.gov/prescription-payment-plan
- For information about Medicare’s health and prescription drug cost savings programs visit: <https://ssa.gov/medicare/part-d-extra-help> or www.medicare.gov/basics/costs/help

The Affordable Care Act requires Part D enrollees whose incomes exceed the same thresholds that apply to higher income Part B enrollees to pay an IRMAA (Income Related Monthly Adjustment Amount). These enrollees will pay the regular plan premium to their Part D plan and will pay the income-related adjustment to Medicare.

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Income-related monthly adjustment amount
Less than or equal to \$109,000	Less than or equal to \$218,000	\$0.00
Greater than \$109,000 and less than or equal to \$137,000	Greater than \$218,000 and less than or equal to \$274,000	+\$14.50
Greater than \$137,000 and less than or equal to \$171,000	Greater than \$274,000 and less than or equal to \$342,000	+\$37.50
Greater than \$171,000 and less than or equal to \$205,000	Greater than \$342,000 and less than or equal to \$410,000	+\$60.40
Greater than \$205,000 and less than or equal to \$500,000	Greater than \$410,000 and less than or equal to \$750,000	+\$83.30
Greater than or equal to \$500,000	Greater than or equal to \$750,000	+\$91.00

In addition, the monthly premium rates to be paid by beneficiaries who are married, but file a separate return from their spouse and lived with their spouse at some time during the taxable year are:

Beneficiaries who are married but file a separate tax return from their spouse:	Income-related monthly adjustment amount
Less than or equal to \$109,000	\$0.00
Greater than \$109,000 and less than \$391,000	+\$83.30
Greater than or equal to \$391,000	+\$91.00