MEDICARE PART D - JANUARY 1, 2027

- Prescription drug plans are available from five insurers offering nine different plans at an average premium cost of $75.82 a month. ($909.84 per year)

- In most cases policy holders will pay the first **$700.00** (called a “deductible”) No plans offer a zero deductible.

- Initial Coverage Limits will be 25% of costs for covered generic and brand name drugs until the spending total of $2,400.00 has been reached.

- **Total out-of-pocket** expenses (not including plan premiums) equals **$2,400.00**. ($700.00 deductible, $1,700.00 co-pay)

- Once the $2,400.00 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 2027 is the **Medicare Prescription Payment Plan.** This is a no cost voluntary program that offers the ability to pay $2,400.00 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

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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 $112,000	Less than or equal to $224,000	$0.00
Greater than $112,000 and less than or equal to $141,000	Greater than $224,000 and less than or equal to $282,000	+$15.40
Greater than $141,000 and less than or equal to $177,000	Greater than $282,000 and less than or equal to $354,000	+$39.70
Greater than $177,000 and less than or equal to $212,000	Greater than $354,000 and less than or equal to $424,000	+$64.00
Greater than $212,000 and less than or equal to $500,000	Greater than $424,000 and less than or equal to $750,000	+$88.30
Greater than or equal to $500,000	Greater than or equal to $750,000	+$96.40

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 $112,000	$0.00
Greater than $112,000 and less than $388,000	+$88.30
Greater than or equal to $388,000	+$96.40