

Big Changes in Medicare Rx Costs in 2025

Two Significant Changes Have Been Made to the Prescription Drug Costs

There are changes in Medicare Advantage Prescription Drug costs starting in 2025 that the Biden administration has successfully negotiated as part of the "Inflation reduction act". \$2,000 is the most you will pay for Medicare-covered prescriptions for the entire year, and the cumbersome Coverage Gap (the Donut Hole) is being discontinued.

Medicare Advantage plans, also called Medicare Part C, are one of the three choices for seniors and persons on disability seeking to maintain healthcare coverage. Medicare Advantage plans are offered by private insurance companies, and most often include additional benefits beyond Original Medicare, and the most accessible of the three choices for seniors seeking health care coverage. Medicare Advantage plans often include vision, dental, and prescription drug coverage.

In 2025 two significant changes have been made to the prescription drug costs: 1: the cap of \$2,000. This cap is also called the MOOP Maximum out of Pocket. 2: the convoluted Coverage Gap also called the Donut Hole will be discontinued.

The New Prescription Drug Cap is designed to provide financial relief to beneficiaries who are on fixed incomes and expensive medications, ensuring that they do not face financial hardship.

Benefits of the \$2,000 Cap:

1. **Financial Protection:** The primary benefit of the \$2,000 cap is the financial protection it offers. Beneficiaries who require high-cost medications will no longer have to worry as much about their prescription drug expenses exceeding this limit, providing some peace of mind and financial stability.

2. **Increased Access to Medications:** With the cap in place, more beneficiaries may be able to afford their prescribed medications, leading to better adherence to treatment plans and improved health outcomes.

3. **Predictable Costs:** The cap allows beneficiaries to better predict their annual



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healthcare expenses, making it easier to budget and plan for the future.

Potential Challenges:

While the \$2,000 cap offers significant benefits, there are also potential challenges that need to be addressed:

1. **Plan Premiums:** Insurance companies can and will adjust plan premiums deductibles, copays and coinsurance to offset the costs associated with the \$2000 cap.

2. **Formulary Restrictions:** Some plans may have more restrictive formularies, limiting the availability of certain medications.

3. **Administrative Complexity:** Implementing and managing the cap may introduce additional administrative complexities for both insurers and beneficiaries.

To navigate these changes Clear communication and support from insurance providers and insurance agents will be crucial to ensure a smooth transition. Beneficiaries should verify that their required medications are covered under their chosen plan.

How to Choose the Right Plan:

Given the changes, it is more important than ever for beneficiaries to carefully evaluate their Medicare Advantage plan options. Here are some tips for choosing the right plan:

1. **Review Plan Formularies:** Ensure that the plan covers your necessary medications and check for any restrictions or prior authori-

zation requirements.

2. **Compare Costs:** Look beyond premiums and consider other out-of-pocket costs, such as copayments, coinsurance, and deductibles.

3. **Consider Additional Benefits:** Evaluate the additional benefits offered by the plan, such as dental, vision, and wellness programs, to determine their value to you.

4. **Seek Professional Advice:** Consult with a Medicare advisor or use resources like the Medicare Plan Finder to compare plans and make an informed decision.

Conclusion:

The introduction of a \$2,000 cap on out-of-pocket prescription drug costs in Medicare Advantage plans represents a significant step towards making healthcare more affordable and accessible for seniors. While there are potential challenges, the overall impact is expected to be positive and the removal of the Donut Hole will lead to more continuity in the prescription drug process.

Beneficiaries like yourself should take the time to review your plan options and choose the one that best meets your healthcare needs and financial situation.

I hope this article provides a comprehensive overview of the changes in the Medicare Advantage prescription drug cap. If you need any more details or have other questions, feel free to call Derek Ewell, licensed insurance broker at 503-344-8505, or Email at DMEinsurance@gmail.com, www.derekinsures.com

The Essential Role of Current and Future Health Professionals

Apply to the United Health Foundation Diversity in Health Care Scholarship



Anne Yau Senior Vice President

Experience shows that when patients receive care from health providers who speak their language or understand their cultural needs, they are more responsive and engaged. This can lead to better health outcomes, as patients feel safe and trust their health care providers.

A young man, deeply connected to his Native American heritage from a young age, spent part of his childhood on a reservation. There, he accessed medical care through the Indian Health Service and witnessed the positive impact of culturally relevant care firsthand. After completing his undergraduate degree, he became an orthopedic scribe at a clinic near a Navajo reservation and is now pursuing a medical degree.

A young woman, inspired by her mother's journey from Haiti to America in 1992 and her dedication to caring for her grandfather with prostate cancer, decided to pursue a career in health care. Now studying to become a registered nurse, she is determined to advance her career by focusing on maternal and infant health, areas where significant health disparities persist.

Both are advancing their clinical careers with support from the United Health Foundation's Diversity in Health Care Scholarship program. Motivated by the desire to serve patients with similar backgrounds, they are committed to supporting their communities by providing culturally responsive care.

Since the program launched in 2022, the United Health Foundation has provided schol-

arships to nearly 2,000 health professionals and students from diverse backgrounds. This initiative is part of their commitment to making the health care system work better for everyone. Through the Diversity in Health Care Scholarship program, the United Health Foundation aims to support 10,000 current and future clinicians by 2033.

The scholarship is available to historically underrepresented health professionals, helping them advance their clinical degrees or credentials. Scholars come from various clinical fields, including nursing, mental health, physical therapy, dentistry, pharmacy, and medicine.

The United Health Foundation's Diversity in Health Care Scholarship program offers scholarships to current and aspiring health professionals from historically underrepresented backgrounds who aim to make a difference in health care. Committed to expanding a diverse health care workforce, the United Health Foundation provides scholarships to support the professionals.

If you or someone you know is a health care professional looking to further advance their clinical degree or credentials, encourage them to apply for a \$3,200 scholarship by visiting <https://scholarshipamerica.org/unitedhealthfoundation/>

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