

TO YOUR HEALTH

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Medicare on the Move

By Maeve Lobo, LICSW

The Inflation Reduction Act (IRA) of 2022 is ushering in significant changes in the lives of Americans reliant on Medicare. Last year, in 2023, Medicare beneficiaries gained access to free COVID, RSV, and Shingles vaccines. Moreover, pharmaceutical companies faced penalties if they raised medication costs beyond the inflation level. In addition, those with diabetes saw their medications capped at \$35 a month. This legislative package continues to unfold, allowing seniors to have access to more comprehensive medicine at a lower cost. The ripples created by the Inflation Reduction Act will continue to resonate with seniors for many years. Here are a few changes that may expand your purse strings.

2024 - Current Changes

Part D

Starting January 1st, 2024, the out-of-pocket costs for some Part D subscribers will be capped at \$3,500. This adjustment is anticipated to bring substantial savings for those reaching the coverage gap or catastrophe stage of their drug plans, particularly seniors facing high medication expenses.

According to the Center for Medicare services (CMS) most people don't reach the coverage gap or catastrophe stage of their drug plan. However, for those who enter these stages enormous savings are in store for them. Previously if a subscriber was in the catastrophe stage they would pay 5% of the cost. This will now be capped to \$3,500 to \$3,800 a year. In Massachusetts, the savings for Part D enrollees should be around \$79 million a year.



Extra Help – Low Income Subsidy

This benefit, administered through the Social Security Administration, offers assistance to individuals with low incomes. Qualifying individuals may benefit from waived Part D premiums and deductibles, as well as reduced costs for both brand-name and generic drugs.

The income thresholds are \$17,220 for a single person and \$34,360 for a married couple living together. There are a myriad of other criteria that are given consideration.

While most CWV Residents may not qualify for this benefit, it is crucial to keep this information in mind and spread awareness to other seniors.

Negotiating Drug Prices

Originally, the "noninterference clause" from 2003 prohibited the Secretary for Health and Human Services from negotiating drug prices with pharmaceutical companies. However, this clause has been amended, allowing CMS to negotiate prices for the ten most expensive drugs covered by Medicare. This marks a significant shift aimed at addressing rising pharmaceutical costs effectively. In 2022 these ten drugs accounted for 19% of the gross Part D spending.

Some of the drugs on this list are Eliquis, Jardiance, Xarelto, Januvia, Farxiga and Entresto. In Massachusetts 115,000+ enrollees take cardiovascular drugs like Eliquis or Xarelto, 53,000+ are prescribed Jardiance, Januvia or Farxiga for Type 2 Diabetes. An additional 84,000+ take Entresto to treat heart failure. The list will gradually increase, by 2029 sixty drugs will be on the Medicare list. By gradually expanding the list of negotiable drugs, the Act aims to address rising pharmaceutical costs effectively.

According to Dr. Tony Unger of the American Medical Association (AMA), this is probably the most experimental part of the Act. Though novel, it is the first time CMS will be given the opportunity to negotiate drugs prices like the Veterans Administration and Department of Defense.

2025 – Future Changes

Further adjustments are planned for 2025, including a decrease in the out-of-pocket cost cap for Part D drugs to \$2,000 per year. The benefit will cover those on stand-alone drug plans and anyone on an Advantage Plan. Additionally, changes will be implemented to enable enrollees to spread their out-of-pocket costs over twelve months, promoting financial predictability and medication adherence. Medicare refers to this as “smoothed” cost sharing.

Overall, these reforms represent a concerted effort to tackle the challenges of rising healthcare costs and improve affordability and access for Medicare beneficiaries. Encouraging discussions and spreading awareness of these changes can empower seniors to make informed decisions about their healthcare coverage.

<https://www.ama-assn.org/practice-management/medicare-medicare-what-know-about-medicare-drug-price-negotiation>

<https://www.priorauthtraining.org/medicare-part-d-out-of-pocket-smoothing/>

<https://www.ssa.gov/pubs/EN-05-10508.pdf>

<https://www.hhs.gov/inflation-reduction-act/toolkit/index.html>

<https://www.aarp.org/politics-society/advocacy/info-2022/inflation-reduction-act-questions-answers.html>



Save the date!

Margaret Hoag, Elder Law attorney, will be doing a presentation on **Advanced Directives and the MOLST form** on Thursday 5/2/24 @ 2pm in the Arts & Craft Room. Due to the size of the room registration is required. Please contact Maeve Lobo at the Clinic.

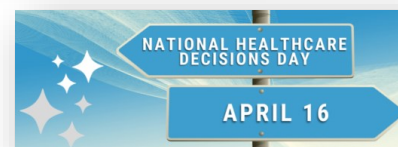


Personal Data Book

On **May 2, 2024 at 11:00 in the Bedford Room**, Maeve Lobo will offer a workshop in reviewing end-of-life issues which will include *The Personal Data Book*. This helpful resource was created by Jim Stockwell, a previous Resident, for the purpose of creating a central document that would contain all the information to help loved ones navigate what to do after a death. All are encouraged to attend. Please sign up with Maeve in the clinic.



National Health Care Decisions Day



It is important to make our wishes for our health care known to our medical providers and loved ones in case we are unable to speak for ourselves. This year, **April 16, 2024 is National Health Care Decisions Day**. If you have yet to spell out your wishes, please consider attending the sessions above to help. Additional resources can be found at:

<https://theconversationproject.org/nhdd/>

<https://theconversationproject.org/tcp-blog/10-ideas-of-things-to-do-for-national-healthcare-decisions-day-in-10-minutes-or-less>

<https://www.fivewishes.org/nhdd/>