



Medicare Advocacy Project

Protecting your medicare rights.

Medicare Part D: Costs for 2025

Part D is the prescription drug benefit portion of Medicare. It is provided through approved private insurance companies. Depending on the plan you choose, you may pay a monthly premium and a yearly deductible. You may also pay a part of the cost of your prescriptions. Costs vary depending on the plan but can be no more than the standard Part D plan benefit costs listed below. Plans may differ in terms of what medications and pharmacies they will cover, as well as what steps you may need to take to get your medications.

Annual Deductible and Monthly Premium

- You pay an annual deductible of \$590.
- Your plan sets your monthly premium, but if your 2023 tax reported income exceeds \$106,000 (individual) or \$212,000 (joint filer), you will have to pay an additional Income Related Monthly Adjustment Amount (IRMAA) of up to \$85.80/month in 2025. Consider appealing IRMAA if a life-changing event has occurred since 2023.



Initial Coverage Period

- After you have paid your annual deductible, you will pay 25% coinsurance for covered Part D drugs. Your plan (and, for some medications, the manufacturer), will cover the remaining drug costs.
- The initial coverage period ends when you have paid \$2,000 (the annual "Out Of Pocket threshold").



Catastrophic Coverage

- **NEW FOR 2025:** If your out-of-pocket spending on covered drugs reaches \$2,000 (including certain payments made on your behalf, like through the Extra Help program), you'll automatically get "catastrophic coverage." That means you won't have to pay anything towards covered Part D drugs for the rest of the calendar year.

Extra Help May Lower Your Part D Costs

In 2025, everyone who qualifies for Extra Help, also known as the Low Income Subsidy, will pay:

- \$0.00 for your Medicare drug plan premium (up to \$52.52 in Massachusetts; if your plan’s monthly premium is more than that, you may have to pay the excess premium);
- \$0.00 for your plan deductible; and,
- A reduced amount for both generic and brand-name drugs.
 - For 2025, monthly costs for each generic drug are generally no more than \$4.90, and monthly costs for each brand-name drug are generally no more than \$12.15.
 - Your costs for drugs may be lower – or free! – depending on whether you have MassHealth Standard, a Medicare Savings Plan, if you have MassHealth and live in certain institutions (like a nursing home), or if you receive MassHealth home and community-based services.
- People on Extra Help do not have to pay Part D late enrollment penalties.

Note: Those on MassHealth **and** Medicare should not have to pay pharmacy copayments.

You automatically qualify for Extra Help if you have Medicare and you:

- Are on MassHealth Standard or a Medicare Savings Plan; or,
- You get Supplemental Security Income (SSI) benefits.

If you don’t automatically get Extra Help, you can apply with Social Security over the phone (800-772-1213) or online (<https://secure.ssa.gov/i1020/start>). The 2025 annual income limits and resource levels to qualify for Extra Help are:

Annual Income Limits		Resource Levels	
Individual: \$22,830	Married Couple: \$30,900	Individual: \$16,100	Married Couple: \$32,130

- “Married” means married and living together.
- \$20 will be deducted from unearned income (such as Social Security Retirement) when calculating eligibility.
- Resources do not include a \$1,500 per person burial allowance.
- Income limits and resource levels may not apply if you are a member of a MassHealth program.

Questions? Need Legal Help?

Call the Medicare Advocacy Project to Apply for Free Legal Assistance:

Greater Boston Legal Services

- 800-323-3205
- Serving Essex, Middlesex, Norfolk, and Suffolk Counties

Community Legal Aid

- 855-252-5342
- Serving Berkshire, Franklin, Hampden, Hampshire, and Worcester Counties

South Coastal Counties Legal Services

- 800-244-8393
- Serving Barnstable, Bristol, Dukes, Nantucket, and Plymouth Counties