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What is the Medicare Prescription Payment Plan?

Recently, I've received several questions at the Extension Office about the Medicare Prescription Payment Plan (MPP). Since this topic continues to come up, I wanted to share some key details.

Some Medicare beneficiaries may have received information in the mail from their prescription drug plan or Medicare Advantage Plan about this program, often including an application to enroll. **Participation in MPP is completely optional.**

What is the Medicare Prescription Payment Plan?

The MPP was launched in 2025 to help Medicare beneficiaries spread out the cost of their prescription medications over the year. Beginning in 2026, people with Medicare prescription drug coverage will not pay more than **\$2,100 annually for covered medications**—this cap does **not** include monthly premiums.

For individuals who face high medication costs early in the year, MPP can be helpful. For example, if you must pay a deductible before your plan begins covering medications, the MPP allows you to spread those costs across the remaining months of the year. Those with higher upfront costs are more likely to benefit than those whose costs are more evenly distributed throughout the year.

How Does Enrollment Work?

- **Enrollment is optional** and can be done at any time.
- You can also opt out at any time.
- Apply directly through your prescription drug plan.

It's important to note that **MPP does not reduce the total amount you owe for medications**. Instead, it changes how you pay:

- You will pay your plan directly—not the pharmacy.
- Your monthly bill will vary because it's based on your current prescription costs and any previous balance.

Is MPP Right for You?

This program is best suited for people who have **high drug costs at the beginning of the year**, as it helps spread those expenses over time. If you're interested, contact your prescription drug plan for details.

Other Assistance Programs

If you're struggling to afford medications, there are additional programs that may help:

- **Extra Help Program:** Reduces costs at the pharmacy.
- **Medicare Savings Program:** Helps with Part B premiums and may assist with co-payments and coinsurance.

Both programs have income and asset eligibility requirements.

For more information about the Medicare Prescription Payment Plan or other assistance programs, contact: **Teresa Hatfield**, email: thatfield@ksu.edu, phone: **785-364-4125**.