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Making Medications More Affordable for Medicare Beneficiaries

If it feels like your medications are taking a bigger bite out of your budget, you're not alone. Older adults typically use more prescription drugs than any other age group, and about 40% of Medicare beneficiaries take five or more medications. Many prescriptions treat chronic conditions and, while generics are often affordable, brand-name drugs can cost hundreds of dollars each month, even for people enrolled in a Medicare Part D prescription drug plan. These high costs sometimes lead individuals to skip doses or stop taking medications altogether.

Extra Help (Low-Income Subsidy) Program

One valuable resource for lowering prescription drug costs is Extra Help, also known as the Low-Income Subsidy (LIS) program, offered through Social Security. This program can significantly reduce:

- Prescription drug copays
- Monthly Part D premiums
- Annual deductibles

Individuals who qualify will pay no more than \$5.10 for generics and \$12.65 for brand-name medications.

The Extra Help program is available to Medicare beneficiaries with limited income and resources:

- Individuals: Income up to \$23,940; resources up to \$18,090
- Married couples: Income up to \$32,460; resources up to \$36,100

People who are already enrolled in Medicaid, a Medicare Savings Program, or SSI qualify automatically. You can apply for Extra Help online at www.ssa.gov.

Upcoming \$2,100 Out-of-Pocket Cap (Beginning 2026)

Starting in 2026, Medicare Part D will include a new annual out-of-pocket cap of \$2,100. Once beneficiaries reach this limit, they will pay nothing for covered medications for the remainder of the year. This new cap aims to provide financial protection to people who take high-cost or multiple prescriptions.

Medicare Prescription Payment Plan

Another option to help manage upfront drug costs is the Medicare Prescription Payment Plan. Many beneficiaries face higher expenses early in the year as they work to meet their deductible. This plan spreads out-of-pocket prescription costs evenly across the calendar year, making expenses more predictable and manageable.

All Part D plans must offer this option. Interested beneficiaries should contact their prescription drug plan directly. Payments are made to the plan—not at the pharmacy.

If you want to learn more about these programs or have questions about Medicare, please contact Teresa Hatfield at the Meadowlark Extension District at 785-364-4125 or email thatfield@ksu.edu.