

## THE BLOODLINE WITH LLS

A PODCAST FOR PATIENTS AND CAREGIVERS

### ***Episode: 'Medicare Updates: What You Need to Know for 2025'***

#### **Description:**

There are new Medicare changes starting in January 2025 that will benefit cancer patients. LLS Vice President of Federal Affairs, Brian Connell, joins us again on The Bloodline to inform us about these new changes and how they will impact Medicare patients.

In this episode, you will learn about the key changes for Part D, the prescription drug plan for Medicare, as well as the drug plan for Medicare Advantage. One of these new changes requires action on the part of the Medicare enrollee, so be sure to tune in to learn more about how you can benefit.

#### **Transcript:**

**Elissa:** Welcome to *The Bloodline with LLS*. I'm Elissa. Thank you so much for joining us on this episode.

Today, we will be speaking about the recent and upcoming changes to Medicare with Brian Connell, the Vice President of Federal Affairs for The Leukemia & Lymphoma Society. For 17 years, Brian has secured legislative and regulatory changes that have expanded patient access to healthcare and made that care safer, more effective, and more sustainable. At LLS, Brian leads a team of federal lobbyists and policy professionals who advocate for meaningful reforms and federal policies to help blood cancer patients and their families.

We last spoke to Brian in July of 2023 to learn about the Medicare changes in the Inflation Reduction Act. That episode was titled, "Be Informed: Beneficial Medicare Changes," and we encourage you to listen to that episode as well. We will have it linked in the show notes.



As we have upcoming changes being implemented in January of 2025, we are inviting Brian back to share more about the upcoming changes and what patients need to know. Welcome back, Brian.

**Brian Connell:** Thanks for having me back.

**Elissa:** So, Brian, before we get into all the changes and what patients need to know, let's do a brief overview of Medicare. Could you tell us what the different parts of Medicare are and who is eligible?

**Brian:** Yeah, of course. So, at its most basic, Medicare is the federal health insurance program for Americans who are 65 and older, as well as those who are under 65 who have a qualifying disability. And there's lots of different terms. You hear about traditional Medicare and Medicare Advantage, but folks talk mostly about Part A, B, C, and D. Part A is the hospital inpatient benefit when you get admitted to a hospital. B is outpatient care, whether that's a hospital or a doctor's clinic. Part C is often called Medicare Advantage, which can kind of take the place of traditional Medicare for an enrollee. And Part D is the coverage that covers prescription drugs that you get at the pharmacy.

So, those are all the components of Medicare, and these are all important because every year Medicare enrollees do get the chance during what's called Open Enrollment to check out their options and see what plan or plans would work best for them. And that Open Enrollment period starts October 15 and this year it ends December 7.

**Elissa:** Okay. Now, you mentioned very briefly that sometimes people under 65 can get eligible for Medicare if they have certain conditions. Does that include some blood cancers?

**Brian:** It does. Not all blood cancers, but some blood cancers are a path by which people do gain access to Medicare when they're under 65. It's based on determinations by the Social Security Administration. So, it's a long and drawn out

process; but some blood cancer patients do access Medicare when they're under 65 through that program.

**Elissa:** Okay, that is good to know. Now the new changes have come about as a result of the Inflation Reduction Act of 2022. Before we get into the exact changes, why was this Medicare reform needed in the first place; and how does that help blood cancer patients and others on Medicare?

**Brian:** Yes, so the Inflation Reduction Act, we also call it the IRA, which makes it a little bit shorter, has a lot of moving parts. And so, when we think about what it means for Medicare enrollees, particularly those with cancer, it focuses most on affordability. People have struggled with affording their prescription drugs for years and years and years. We have blood cancer patients, for instance, who are paying over \$10,000 each year for their drugs, leading up to the passage of the IRA; and so there was folks who were struggling to afford that. There's also folks who would go to the pharmacy, see that amount, and just turn away and not take their medications they needed to treat their cancer or other condition. So, there were some really incredible and terrible affordability challenges that people were facing that were impeding their access to the appropriate care.

**Elissa:** And that is the reason why the LLS Public Policy and Advocacy team got involved, to help make those changes and make that affordability better?

**Brian:** That's right. We shared the stories of blood cancer patients and connected lawmakers to advocates, patient advocates in their district or in their state so they understood just what was happening and the exact changes that needed to be made to make cancer drugs more affordable.

**Elissa:** Okay, well let's get into the changes. So, first, there were changes that came into effect in January of 2024. What are those changes that currently affect those on Medicare?

**Brian:** Yes, so there's a lot coming in 2025, but you're right that there are some key things that happened starting in 2024 and that are ongoing this year. So, patients saw a few important changes. First, many patients with the highest out-of-pocket costs for their Part D medications, as I mentioned they were facing \$10,000+ in years past of out-of-pocket costs. But patients in 2024 who were taking brand name cancer drugs through their Part D plan, they paid about \$3,300 out of pocket as a maximum this year. So, dramatic savings from the year before for folks who are on those brand name cancer drugs. Folks who were on generic cancer drugs pay a little bit more, but that's about to be smoothed out next year. It was a little complicated this first year, but they're going to see more savings next year.

And then, one other big change is many patients with lower incomes had a new opportunity in 2024 to the IRA to enroll in the Part D "Extra Help" program, and that's a program that dramatically reduces copays for Part D drugs. So, patients could pay under \$10 in copays for even the most expensive drugs. And just to lay out the scope of the program, there are about 3 million Medicare enrollees today who are eligible for "Extra Help" but are not enrolled in it. So, it's definitely worth checking out to see if you're eligible because, like I said, it could bring, even the \$2,000, \$3,000 cost down to \$10 per prescription, which is really incredible savings.

**Elissa:** Oh, that's good to know. Now how would they check to see if they're eligible?

**Brian:** Yeah, so the best is to go to Medicare.gov. There's a process that lays out, again, how to qualify and check if you're eligible for the Part D "Extra Help" program. It's determined by your income each year, and so folks of lower and medium incomes have a chance to be eligible for that program, then see that dramatic savings.

**Elissa:** Well, that's great that they can already start getting savings. Now, let's talk about the 2025 changes. So, these go into effect on January 1, 2025. What are these new changes?



**Brian:** Yeah, so the two changes that matter most for blood cancer patients and survivors, starting January 1 in 2025, there's a new Medicare Part D cap. So, that cap prevents any Medicare enrollee from having to pay more than \$2,000 out of pocket for their Part D medications. It won't matter whether you take a brand name drug or a generic drug like we saw in 2024. It applies to all drugs. It won't matter whether you're in a Medicare Advantage plan or a traditional Medicare plan. You will not have to pay more than \$2,000 out of pocket for your Part D drugs. So, that's a hard and fast cap across every single plan, for every single drug in Medicare Part D. And that will then begin in the future years to slowly increase just by inflation but the first hard and fast cap we've had in Medicare Part D.

**Elissa:** So, that sounds very similar to private insurance plans, right? Having an annual cap?

**Brian:** Exactly, yeah. Essentially, every plan has an annual out-of-pocket max. Some of them have them for their drug benefit, exactly like this we have for Part D. I'll say, we're pushing for having one for every single part of Medicare, like we do in commercial insurance you get through your employer or through health exchanges. We're working on that, but we're really excited about this one because people have been experiencing such extraordinary costs.

**Elissa:** Right.

**Brian:** And I'll say, that's one of the biggest new exciting things coming out in 2025. But, the other really big change I think is really important for blood cancer patients is there's a new option starting in 2025 that allows Part D enrollees to pay their out-of-pocket costs in monthly increments.

**Elissa:** Oh.



**Brian:** So, instead of paying it all upfront, like we do oftentimes where people would have to pay, even a \$2,000 cap, if you had to pay that all at once, that can be a lot more than what folks might have in their pocket in January.

So, if you take an expensive medication, you owe that \$2,000 for that first fill in January, which most people do for those expensive drugs, you'll be able to spread that into 12 monthly payments of about \$167 each. So, it's really just \$2,000 divided by 12. So, that new option is called the Medicare Prescription Payment Plan. We referred to it in a whole host of different ways in the past, but that's the new branding, the Medicare Prescription Payment Plan.

In this plan, you pay those monthly increments to your Part D plan instead of paying at the pharmacy. And again, it could bring that upfront cost down to \$167 each month to afford your blood cancer drug.

**Elissa:** Oh, that's great. I'm sure blood cancer patients were thinking initially \$2,000, how am I going to pay this in January for my drugs?

**Brian:** That's right, that's right. We, we spent a lot of time connecting patients with their lawmakers as this was being debated because we knew that the cap alone, that's amazing. It's a landmark new protection, but it's still too high for most people to pay \$2,000 in January. So, we knew that it was equally as important to make sure that people could turn that \$2,000 into bite-size amounts that you can budget in every month and then be able to afford your drugs all throughout the year.

**Elissa:** These new changes that you just talked about, smoothing and the annual out-of-pocket for Medicare Part D, do all Medicare enrollees benefit from these changes?

**Brian:** That's a good question. And again, this is where it gets a little tricky. I'll start with the \$2,000 out-of-pocket cap. So, every single enrollee in every single Part D plan will have that cap in place January 1, 2025, no matter what. So, that applies to everyone. You don't have to do anything. That's just part of your plan.



But it's different for the Medicare Prescription Payment Plan that allows you to spread those costs across the year. That program is optional and voluntary. So, a Medicare patient has to proactively tell their Part D plan that they would like to enroll in the Medicare Prescription Payment Plan.

**Elissa:** Okay, and does that happen during Open Enrollment then, between October 15 and December 7?

**Brian:** We think that's the best way to do it. Anyone listening to this who would like to choose this option, because you do have those high costs, you'd like to spread them through the year, we'd encourage you to communicate that to your plan during Open Enrollment.

This year being the first year of this new kind of component of Medicare Part D, your Part D plan will have three ways to enroll. They'll have a paper option, they'll have a toll-free phone number option, and they'll have a website option. So, three different ways you can enroll. And in fact, if you had a high prescription drug cost in 2024, like if you were paying those thousands of dollars in 2024, your Part D plan for 2024 will actually reach out to you directly with some mail and some other ways to get to you to tell you about this option and how you can choose it for 2025.

**Elissa:** Are they able to enroll in this after the Open Enrollment?

**Brian:** Yes, yeah. You can enroll in this Medicare Prescription Payment Plan at any point through the year. It's best if you do it before the year starts. That way it's just locked in, and the pharmacist, when you fill your drug, will see it in the system and know that you owe actually nothing at the counter and you'll owe a bill each month for the rest of the year. That's best.

But, for folks who may not understand all the details and might still be asking questions during Open Enrollment, you can make that decision January 10, or August 10, or September 10 that you would like to participate in this payment plan, which is



also really critical for the folks who will get diagnosed with a blood cancer or start a new medication that actually makes this an important option for them sometime during the year.

So, the one critical caveat though is that it takes a little bit of time for your Part D plan to actually do the back of the computer type of work to make sure that shows up for the pharmacist. So, we say better sooner rather than later. We'd love for folks to be enrolling in this option during Open Enrollment or as soon as they can in the plan year to make sure that there's no questions when you get to that pharmacy counter that you're going to get that drug with no up-front cost sharing and then be paying the monthly installments.

**Elissa:** Right. So, we talked about the possibility of enrolling later. Say somebody either gets diagnosed or maybe they start a new medication, say in June or July of 2025. So, then would their smoothing be \$2,000 over however many months are left in the calendar year?

**Brian:** Yeah, it would be however much left you have to accrue to that cap. So, if you have spent \$100 on some generic medication for your blood pressure, then you have \$1,900 left of that \$2,000, so that's the amount that we split over the remaining months. So, essentially the key component here is no one is saving money, no one's paying less. They're paying less at any one point. So, you're taking the amount you might have left of that \$2,000 cap, and you're spreading it across however many months there are left in the year.

So, the math can change, depending on your individual situation. But the idea is the same, which is that you're not going to pay more than \$2,000; but you'll be able to pay it in smaller amounts rather than that one big amount all at once.

**Elissa:** Okay. And that's \$2,000 total, regardless of the type of drug that you're taking or how many drugs that you're taking throughout the year?



**Brian:** Exactly. Every single drug you take, whether it's a \$4 generic or a \$120,000 blood cancer branded medication, they all are adding up to that \$2,000 cap; and that's the point where you stop paying cost sharing. And the plan picks up the rest.

**Elissa:** Okay. We know that insurance and Medicare can be confusing sometimes, so where can patients get more information if they need assistance with this or if they have questions about these new changes?

**Brian:** Yes, so there's several good resources. We always tell everyone to go to Medicare.gov. Medicare.gov is a great tool. They have the very latest information. They have tools on that website, calculators, etc. that allow you to put in your exact drug, your ZIP code. You can put in all those very, very personal details that allow you to understand, given what you know today, what is your best plan options. So, that's first and foremost is Medicare.gov.

We also have a program that's funded by the federal government called the State Health Insurance Assistance Program. You hear it usually called SHIP. So, there are SHIP counselors in communities across the country. There's folks who will meet with you one on one, and they can do it on the phone. They can also do it in person. Meet with individual seniors or folks who might be eligible for Medicare. They meet with you one on one, and they walk you through your plan options, given all the things you're considering, all the things you need, whether it's a doctor you really want to see or a medication you really have to take, or the fact that you're a snowbird and spend six months in one place and six months in another. They help you walk through your plan options given your situation and help you make those decisions, and those folks will be trained up on all the changes that are happening in Medicare Part D in 2025.

So, those SHIP counselors are a great place to start. The website to kind of understand how to connect with that in your area is [shiphelp.org](http://shiphelp.org). And they can point you in the direction of the local SHIP counselor, and it's just nice because those are folks who aren't paid by insurance companies. They aren't paid by any one group.



They're there really to be a community service; and so they're a great option for folks who really want to understand what it means for them.

That said, we'd always recommend folks also reach out to the LLS Information Resource Center. The [Information] Specialists there talk with blood cancer patients day in/day out. They know the drugs, they know the dynamic, they've worked with clinicians and worked with patients. They know how these programs work, and so blood cancer patients in particular can reach out to the LLS IRC and get connected with someone who can also work with them on, given their drugs, given their situation, what's the best plan for them.

**Elissa:** That's wonderful. Well, we will be sure to link all of those websites in our show notes as well as, of course, the 1-800 number for our Information Specialists.

Now, before we go today, you mentioned that there's still some more work to do, right, with some Medicare reform and changes that can help blood cancer patients. And you also mentioned that you've been connecting blood cancer patients with their local legislators. How would somebody get involved if they wanted to be able to share their story and speak with a legislator and hopefully make change?

**Brian:** Yeah, that's a great question. We've made a lot of progress; but there's a lot of work left to do to make sure that everyone has the insurance they need, that everyone can afford to use that insurance, that that insurance guarantees you access to really quality cancer care, and to make sure that we get new treatments and better treatments and diagnostics and all those things.

So, that's what we work on day in/day out in the Office of Public Policy at LLS and but urge folks to go to [LLS.org/Advocacy](https://www.lls.org/Advocacy). That's what we do day in/day out. We do advocacy. So that's our spot on the LLS website; and you can sign up there to get emails from folks within the Office of Public Policy here at LLS, and get engaged and start figuring out the questions to ask your lawmaker or the letter to send or the phone



call to make, and can be plugged into these big changes, like the IRA that we're talking about that we have coming down the pike.

**Elissa:** Perfect. We'll be sure to add that to the show notes as well.

Well, thank you so much, Brian, for joining us today and telling us all about these really exciting changes. We hope that they will be so beneficial to blood cancer patients and really help them to afford the medications that are so crucial in fighting these diseases. And so again, we really appreciate you joining us today.

**Brian:** Thanks. Thanks for having me.

**Elissa:** And thank you to everyone listening today. *The Bloodline with LLS* is one part of the mission of The Leukemia & Lymphoma Society to improve the quality of lives of patients and their families.

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In addition to the Lounge, we could use your feedback to help us continue to provide the engaging content for all people affected by cancer. We would like to ask you to complete a brief survey that can be found in the show notes or at [TheBloodline.org](https://TheBloodline.org). This is your opportunity to provide feedback and suggested topics that will help so many people.

We would also like to know about you, and how we can serve you better. The survey is completely anonymous, and no identifying information will be taken. However, if you would like to contact LLS staff, please email [TheBloodline@LLS.org](mailto:TheBloodline@LLS.org).



We hope this podcast helped you today. Stay tuned for more information on the resources that LLS has for you or your loved ones who have been affected by cancer.

Have you or a loved one been affected by a blood cancer? LLS has many resources available to you – financial support, peer-to-peer connection, nutritional support, and more. We encourage patients and caregivers to contact our Information Specialists at 1-800-955-4572 or go to [LLS.org/PatientSupport](https://www.lls.org/PatientSupport).

You can find more information on Medicare and financial assistance at [LLS.org/Finances](https://www.lls.org/Finances) or learn more about what our LLS Public Policy team is doing for blood cancer patients at [LLS.org/Advocacy](https://www.lls.org/Advocacy).

These links and more will be found in the show notes or at [TheBloodline.org](https://www.TheBloodline.org). Thank you again for listening. Be sure to subscribe to *The Bloodline* so you don't miss an episode. We look forward to having you join us next time.