

Inflation Reduction Act: Lowering Rx Costs

U.S. Senator Bob Casey, Jr.

HOW NEW JERSEY BENEFITS

The Inflation Reduction Act has lowered health care and prescription drug costs for New Jersey families.

Reducing Health Care Premiums

Marketplace premiums have been reduced by hundreds of dollars per person, on average, for roughly 292,000 New Jerseyans.¹



Capping Insulin at \$35/month

Out-of-pocket costs for insulin are now capped at \$35 per month for Medicare beneficiaries enrolled in Part D and Part B, lowering costs for more than 39,600 New Jerseyans.²



10 Initial Drugs for Negotiation

In 2023, the Centers for Medicare & Medicaid Services announced the first 10 drugs covered under Part D selected for negotiation. The following drugs will have capped maximum fair prices beginning in 2026, lowering the cost of these drugs.³



Making Approved Vaccines Free

Approved vaccines, including vaccines for shingles, flu, DTaP, and COVID-19, are free for Part D beneficiaries. This has helped to lower costs for nearly 75,400 New Jerseyans.⁴



Decreasing Out-Of-Pocket Costs

Reforms to the Part D program, including the \$2,000 cap on out-of-pocket costs, will lower prescription drug costs for nearly 473,400 New Jerseyans. This will mean more than \$246 million in savings for state residents in 2025.⁵

1. Eliquis, used by 99,000 state residents on Medicare
2. Jardiance, used by 34,000 state residents on Medicare
3. Xarelto, used by 39,000 state residents on Medicare
4. Januvia, used by 33,000 state residents on Medicare
5. Farxiga, used by 22,000 state residents on Medicare
6. Entresto, used by 16,000 state residents on Medicare
7. Enbrel, used by 1,000 state residents on Medicare
8. Imbruvica, used by 600 state residents on Medicare
9. Stelara, used by 600 state residents on Medicare
10. Fiasp/NovoLog, used by 15,000 state residents on Medicare

IRA IMPLEMENTATION TIMELINE

January 1, 2025

The \$2,000 cap on out-of-pocket costs for prescription drugs under Part D is implemented.

September 1, 2024

The negotiated maximum fair prices for the first 10 drugs under Part D are published.

January 1, 2026

Maximum fair prices negotiated for the first 10 drugs under Part D go into effect.

Ongoing Drug Negotiations

Additional drugs will be eligible for negotiation each year, with 15 drugs eligible in each 2027 and 2028, and 20 drugs eligible in 2029 and each following year.

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