



What you Need to Know: Important Information about the Inflation Reduction Act and Diabetes

What does the Inflation Reduction Act do for people who use insulin?

The Inflation Reduction Act caps the cost of insulin at \$35 per month for seniors who have Medicare – including those who use insulin pumps – starting in 2023. Some seniors are already benefiting from Medicare Part D plans that offer \$35 insulin. This legislation ensures that all seniors who use insulin benefit from this out-of-pocket cost limit.

The Inflation Reduction Act also makes changes to prescription drug pricing in Medicare Part D that mean seniors may pay even less than \$35 per month for their insulin starting in 2026.

To make sure seniors are getting these savings right away, people who are charged more than \$35 per month for their insulin in the first few months after the new Medicare copay cap is enacted will be reimbursed.

What else does the Inflation Reduction Act do for people with diabetes?

The Inflation Reduction Act also caps the cost of all prescription drugs at \$2,000 per year for seniors who have Medicare Part D. \$1 in every \$3 spent on prescription drugs in the U.S. is spent on someone with diabetes, and this out-of-pocket cost limit will benefit people with diabetes who rely on more than just insulin to survive.

The Inflation Reduction Act allows Medicare to negotiate the price of some of the most expensive prescription drugs directly with drug manufacturers, reducing the cost of these often out-of-reach medications to seniors.

For individuals and families who have private insurance plans through the Affordable Care Act, the Inflation Reduction Act extends through 2025 premium subsidies that were expanded during the COVID-19 pandemic and were set to expire at the end of this year.