



News Release

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FOR IMMEDIATE RELEASE

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Inflation Reduction Act Tamps Down on Prescription Drug Price Increases Above Inflation

New Medicare Prescription Drug Inflation Rebate Program protects people with Medicare and taxpayers when drug companies increase prices faster than the rate of inflation

HHS announces savings for some people with Medicare on 27 Part B prescription drugs

The Biden-Harris Administration has made lowering prescription drug costs in America a key priority — and President Biden is delivering results. Today, the Department of Health and Human Services, through the Centers for Medicare & Medicaid Services (CMS), announced 27 prescription drugs for which Part B beneficiary coinsurances may be lower from April 1 – June 30, 2023. Thanks to President Biden’s new law to lower prescription drug costs, some people with Medicare who take these drugs may save between \$2 and \$390 per average dose starting April 1, depending on their individual coverage. Through the Inflation Reduction Act, President Biden and his Administration are lowering prescription drug costs for American seniors and families.

“The Biden-Harris Administration believes people with Medicare shouldn’t be on the hook when drug companies inexplicably jack up the prices of their drugs,” said HHS Secretary Xavier Becerra. “President Biden made lowering prescription drug costs for Americans a top priority and we’re using every lever we have to deliver results. With the inflation rebate program, we are fighting to ensure seniors can afford the treatments they need, taxpayers aren’t subsidizing drug company excess prices, and the Medicare program is strong for millions of beneficiaries now and in the future.”

The [Medicare Prescription Drug Inflation Rebate Program](#) is one of the many important tools Medicare has to address rising drug costs. By reducing coinsurance for some people with Part B coverage and discouraging drug companies from increasing prices faster than

inflation, this policy may lower out-of-pocket costs for some people with Medicare and reduce Medicare program spending for costly drugs.

“The Medicare Prescription Drug Inflation Rebate Program is a critical way to address long-term price increases by drug companies while improving access and affordability for the millions of people with Medicare coverage,” said CMS Administrator Chiquita Brooks-LaSure. “Continued implementation of the new drug law strengthens Medicare, faithfully guards taxpayer dollars, and improves the long-term sustainability of the program for generations to come.”

CMS has released information about these 27 Part B drugs and biological products in the quarterly ASP public file, available [here](#). A fact sheet is available [here](#).

Lower Part B coinsurance will go into effect on April 1, 2023. This coinsurance adjustment applies to certain drugs and biologicals covered under Medicare Part B. The Part B drugs impacted by this coinsurance adjustment may change quarterly.

See the initial guidance detailing the requirements and procedures for the Medicare Prescription Drug Inflation Rebate Program [here](#).

In addition, HHS [released](#) a report on how much Medicare Part D enrollees would have saved on vaccine cost-sharing if the Inflation Reduction Act has been in effect in 2021.

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