MPGROUP
NAVIGATE MEDICARE TOGETHER

MP Compass

January 2026

Medicare Cost Updates for 2026

Welcome to 2026! As January 1 marks the start of the new Medicare plan year, it also brings changes to Medicare costs and benefits.

Below are changes that affect individuals enrolled in Original Medicare and a Medicare Supplement (Medigap) plan. Please note that these changes are separate from plan-specific changes, such as premiums, deductibles or copayments associated with Medicare Part C (Medicare Advantage), Part D prescription drug plans or Medicare Supplement policies.

Medicare Part B Premium Changes

In 2026, the Centers for Medicare & Medicaid Services (CMS) increased the standard Medicare Part B premium from $185.00 to $202.90 per month. This represents a monthly increase of $17.90, or approximately 9.7%.

This increase affects all Medicare beneficiaries enrolled in Part B.

While we are never happy with any increase in costs, it would have been higher if not for recent efforts by the current administration to reduce what Medicare pays for certain skin substitute products. Spending in this area had increased dramatically in recent years, and these changes helped lower overall costs for the Medicare program, and ultimately for beneficiaries.

Medicare Part B Deductible Changes

The Medicare Part B deductible increased from $257 in 2025 to $283 in 2026, an increase of $26.

This change impacts all beneficiaries enrolled in Original Medicare and a Medicare Supplement, most commonly Plans G, N and High-Deductible Plan G.

The deductible is the amount you must pay out-of-pocket before Medicare begins sharing in covered medical costs.

Medicare Part D Updates

For 2026, the maximum annual Part D deductible will be $615, a $25 increase from 2025. Plans may set a lower deductible, but they cannot exceed this amount.

The maximum out-of-pocket cost for prescription drugs (excluding premiums) will be $2,100, representing a $100 increase from 2025.

Lower Costs for Certain Medications

The Medicare Drug Negotiation Program goes into effect in 2026 and includes 10 medications selected for reduced pricing. If you take any of the following medications, your out-of-pocket cost per refill may be lower in 2026:

- Eliquis
- Jardiance
- Xarelto
- Januvia
- Farxiga
- Entresto
- Enbrel
- Stelara
- NovoLog / Fiasp

Medicare Prescription Payment Plan (M3P Program)

The Medicare Prescription Payment Plan (M3P), introduced in 2025, will continue in 2026. This voluntary program allows beneficiaries to spread out their prescription drug costs evenly over the plan year.

All stand-alone Part D and Part C (with RX benefits) plans will offer this option.

M3P Program Continued

This benefit can ease the financial burden especially for those who reach high out-of-pocket costs early in the year.

Example 1:
- January prescription costs: $600
- Enrolled in M3P: $600 spread over 12 months = $50 per month

Example 2:
- March prescription costs: $1,200
- Enrolled in M3P: $1,200 spread over 10 months = $120 per month

IRMAA Payments in 2026

If your 2024 income exceeded:

- $109,000 for an individual, or
- $218,000 for a married couple filing jointly,

a Medicare beneficiary will pay an additional surcharge for Medicare Parts B and D in 2026. For specific payments, you can also check your SSA statement or visit your medicare.gov account.

Where to Find Your Medicare Costs for 2026

- Your Annual Medicare Premium Notice was mailed in November, detailing your Part B premium and any IRMAA-related charges.
- If you receive Social Security benefits, your December statement included your COLA increase and updated Medicare premiums.

If you experienced a qualifying life event, such as retirement or a reduction in work hours, and your income is now lower than it was in 2024, you may be able to appeal your 2026 IRMAA determination by filing Form SSA-44 with the Social Security Administration.

Your Trusted Medicare Partner

At MP Group, we're committed to use our newsletter as a vehicle to communicate important changes throughout the year. If you have questions about these updates or need additional guidance, don't hesitate to contact me at any time.

Know more and stress less with MP Group.

Ways to Reduce Prescription Drug (RX) Costs

At MP Group, we are always looking for ways to help our clients manage and reduce their healthcare expenses.

In recent years, healthcare costs have escalated at a rapid pace, with prescription drug spending accounting for an increasing share of total healthcare expenditures. In 2025 alone, Medicare Part D expenditures increased by 11% to $141 billion, net of premiums paid by enrollees. With costs continuing to rise, it's more important than ever to take proactive steps to control your out-of-pocket prescription expenses.

While Part D plans have improved coverage by eliminating the coverage gap ("donut hole") and adding a maximum out-of-pocket limit, some medications can still be expensive, especially if they are not well covered under your specific plan.

Below are several strategies that may help lower your prescription costs.

Use a Preferred Pharmacy

When you enroll in a Medicare Part D plan or a Medicare Part C (Medicare Advantage) plan that includes prescription drug coverage, your plan will designate preferred and in-network pharmacies.

Using a preferred pharmacy typically results in lower copayments and coinsurance. Common preferred pharmacies often include national chains such as CVS, Walmart, Walgreens and many regional grocery store pharmacies.

Local independent pharmacies may not always be listed as preferred; however, that does not mean their pricing is uncompetitive. In some cases, they may still offer favorable pricing on certain medications.

Consider Mail-Order Pharmacy Options

All Medicare Part C and Part D plans are required to offer mail-order pharmacy services. Mail orders can:

- Reduce out-of-pocket costs for certain medications
- Provide added convenience by delivering prescriptions directly to your home

To learn more, contact your plan provider and ask about mail-order pricing for your specific medications.

Options Outside of Your Insurance Plan

In recent years, a growing number of companies have emerged to help consumers save money on prescription medications. These are non-insurance options and must be used instead of, not alongside, your prescription drug plan.

When visiting your pharmacy, you can ask the pharmacist to compare prices using these programs. If researching from home, you can visit the websites below to check medication pricing.

Prescription Discount Programs

- GoodRX – www.goodrx.com
- Single Care – www.singlecare.com
- Blink Health – www.blinkrx.com
- Optum Perks – www.optum.com
- WellRX – www.wellrx.com

Company-Sponsored Discount Cards

Many large retailers also offer their own prescription discount programs, including:

- Walgreens
- CVS
- Costco
- Walmart
- Harris Teeter
- Kroger

These programs may provide additional savings on select medications.

Mail-Order Prescription Services

- Cost Plus Drugs – www.costplusdrugs.com.

Founded by Mark Cuban, this mail-order pharmacy focuses primarily on generic medications and operates without insurance.

- Amazon Pharmacy – www.pharmacy.amazon.com

Offers a wide range of brand-name and generic medications through mail order.
Saving even a few dollars on each prescription refill can add up to significant annual savings.

When you work with MP Group, you'll always know more and stress less about your Medicare benefits.

More From MP Group

#MP TIP

New Year, New Changes.

If you are planning to move or retire in 2026, you will qualify for a Special Enrollment Period (SEP). Contact us at least 60 days before your life change so we can assist you in enrolling and/ or managing your Medicare benefits. Proper planning is important to avoid gaps in coverage and late enrollment penalties.

#MP Recipe Box

Roasted Tomato Soup

Prep Time: 10 Minutes
Servings: 4

Ingredients

- 2 lbs fresh tomatoes
- 1 whole head of garlic
- 3 tbsp olive oil
- 1 cup vegetable or chicken broth
- 1/4 cup heavy cream

Steps

- Heat oven to 400 degrees.
- Cut tomatoes in half and place cut-side up on a baking sheet.
- Slice the top off the garlic head, drizzle with a little olive oil, wrap in foil and place on the sheet.
- Drizzle tomatoes wth remaining olive oil and roast 35-40 minutes until caramelized.
- Squeeze roasted garlic cloves into a pot, add tomatoes and broth. Blend until smooth.
- Warm over low heat, stir in cream if using, and season with salt and pepper.
- Garnish with croutons and basil, if desired.

Brain Teaser: Find the odd one out

Important Phone #'s You Need To Know

MP Group - 703-214-4600

CMS - 1-800-MEDICARE (1-800-633-4227)

Social Security Administration - 1-800-772-1213

Medicare Calendar

January 1

through

March 31

General Enrollment Period:

If you missed your initial enrollment period and aren't eligible for a SEP, you can still enroll for Parts A and B during this enrollment period. Your coverage will begin the 1st of the month following submission.

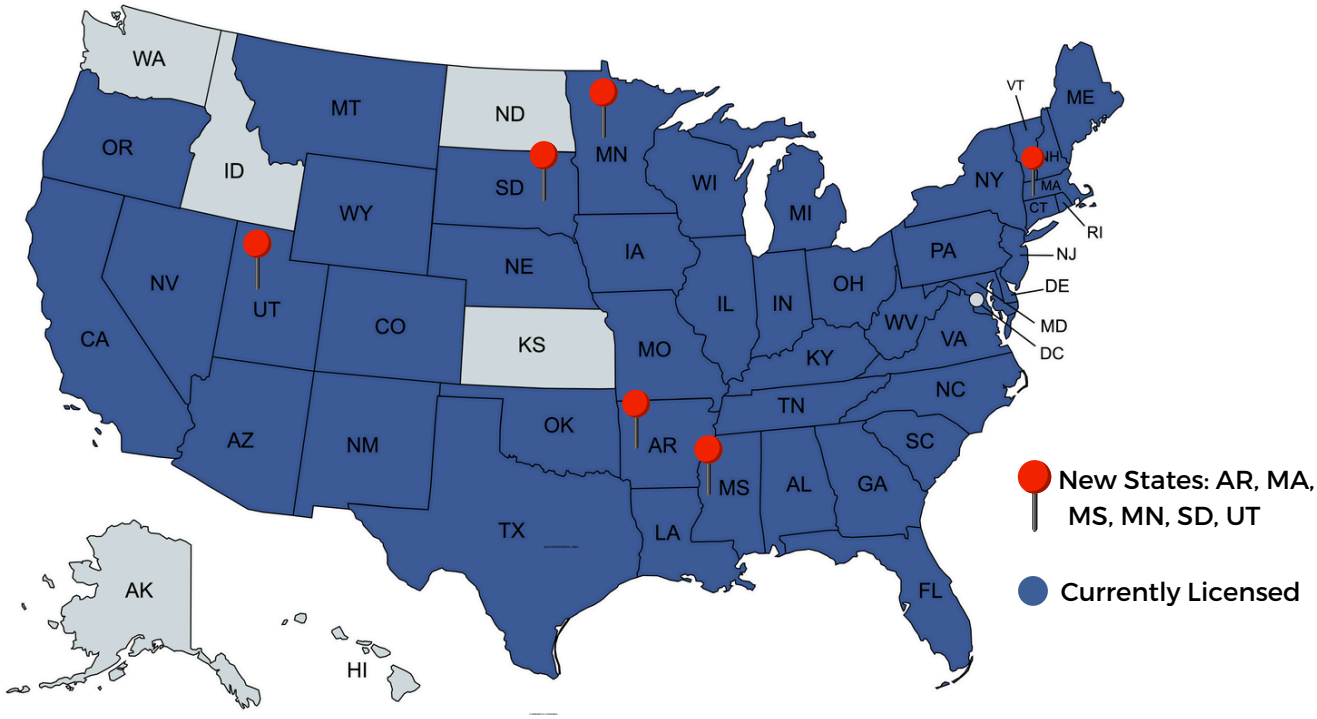
Medicare Advantage Open Enrollment Period:

During this enrollment period, you can make a one-time change to your Medicare Advantage benefits.

There are two changes that you can make to your Medicare coverage: enroll in another Medicare Advantage plan with or without drug coverage; or disenroll from your Medicare Advantage plan and return to Original Medicare with a Part D drug plan.

Any change requests go in to effect the first of the month following application submission.

MP Group is Expanding!



MP Group's Educational Events

We know Medicare and we love to share our knowledge. Each webinar is designed to deliver Medicare information in a simplified and understandable manner.

New to Medicare

Medicare Basics

Topics:

- Medicare Parts A, B, C, D and Medigap
- Enrollment Periods
- Eligibility
- Medicare Costs

45 Minutes

Medicare Working Past 65

Topics:

- Dates, timelines, and actions you need to take when working past 65
- Coordination of benefits; who pays first?

20 Minutes

New and Existing Medicare Beneficiaries

Original Medicare vs Medicare Advantage

Topics:

- Differences between Medicare Advantage and Original Medicare
- How to choose which option is right for you

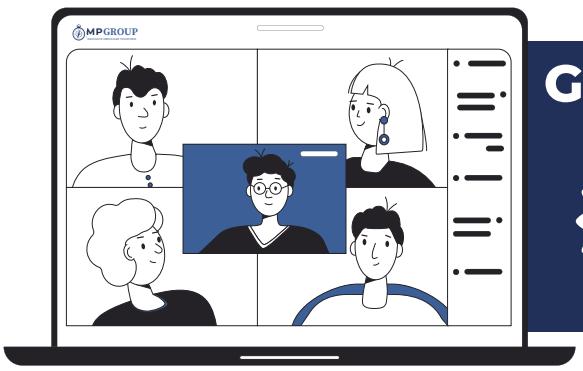
20 Minutes

Medicare Part D - What You Need To Know

Topics:

- How Medicare Part D plans work
- Cost of Medicare Part D
- Enrollment dates

20 Minutes



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