

United States Senate

WASHINGTON, DC 20510

August 13, 2025

Dr. Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue SW
Washington, DC 20201

Dear Administrator Oz,

I write to express serious concerns regarding the expected increase in Medicare Part D premiums for 2026. On July 28, 2025, the Centers for Medicare & Medicaid Services (CMS) released the 2026 preliminary rate information for Medicare Part D prescription drug plans and projected that the 2026 national average base premium will be \$38.99, a 6% increase from 2025.¹ Current reporting indicates the standard Part D deductible is also projected to increase to \$615 in 2026, up from \$590 in 2025.²

The average monthly Medicare Part D premium has been relatively stable due to the premium stabilization demonstration that was established in 2024. Under the demonstration, prescription drug plans were provided a monthly premium subsidy of up to \$15 and the monthly premium increase for 2025 was limited to \$35. The premium stabilization demonstration greatly limits the costs that Part D plans can pass on to the beneficiary, helping to keep premiums low. However, I am concerned that CMS intends to cut the subsidy program by one-third and allow for larger premium increases. In 2026, the subsidies to Part D plans will be reduced from \$15 to \$10, and the limit on a Part D plan's total monthly premium will increase from \$35 to \$50.¹ This means beneficiaries will see notably higher premiums in 2026.

I am deeply concerned about the impact premium increases will have on individuals who rely on Medicare Part D for access to essential medications. Any increase in premiums places an undue financial burden on beneficiaries at a time when Americans are already feeling the strain of rising health care costs. Many Medicare beneficiaries are on fixed incomes, and even modest increases in premiums may force them to make difficult decisions between paying for medications and covering other basic

¹[2026 Medicare Part D Bid Information and Part D Premium Stabilization Demonstration Parameters | CMS](#)

²<https://www.forbes.com/sites/dianeomdahl/2025/08/05/lets-preview-2026-medicare-part-d-premiums-costs-prepare-to-pay-more/>

living expenses. It is vital that CMS prioritizes Medicare beneficiaries' ability to access prescription drugs at an affordable rate.

In light of these concerns, I respectfully request answers to the following questions no later than August 20, 2025:

1. What safeguards has CMS put in place to ensure the premium hikes do not outweigh the savings from the \$2,000 out-of-pocket cap as established by the Inflation Reduction Act?
2. To what extent are Prescription Drug Plan (PDP) sponsors shifting costs to patients via other pricing mechanisms, such as formularies? How will CMS ensure beneficiary costs remain stable and affordable?
3. As noted, CMS is reducing the premium subsidy from \$15 to \$10. How is this change intended to help beneficiaries given that the subsidy program has proven to drive down costs? How will CMS ensure that premiums remain low after the subsidies are expected to end in 2027?
4. Are there any prescription drugs that might be dropped from coverage in an effort to keep the premiums down? How is CMS monitoring potential changes to formularies?
5. How is CMS ensuring that beneficiaries in rural communities that have fewer plan options are not further burdened by the premium increases?
6. What criteria is CMS using to approve and reject bids by PDP sponsors?

Thank you for your attention to this matter. We look forward to your prompt and thorough response.

Sincerely,

A handwritten signature in black ink, appearing to read "Ruben Gallego". The signature is fluid and cursive, with the first name "Ruben" written in a smaller, more compact script than the last name "Gallego".

Ruben Gallego
United States Senator