Study Finds Medicare Part D Plans Likelier Than Commercial Plans to Restrict Drug Coverage in Competitive Drug Classes

Analysis of 2024-2026 formulary data found broader declines in coverage across competitive drug classes in Medicare Part D following implementation of the IRA

WASHINGTON D.C., DC, UNITED STATES, July 22, 2026 /EINPresswire.com/ -- New research from the National Pharmaceutical Council (NPC) in Health Affairs Scholar finds that Medicare Part D plans are more likely than commercial plans to restrict drug coverage in competitive classes following implementation of the Inflation Reduction Act (IRA).

> "This research finds that Medicare beneficiaries are losing coverage for certain drugs at a higher rate than those with commercial insurance."
> *Jonathan D. Campbell, PhD, Chief Science Officer, NPC*

"Changes in Medicare Part D Coverage in Competitive Classes in the Post-Inflation Reduction Act Landscape: 2024-2026," evaluates changes in coverage for brand-only medicines in competitive drug classes across Medicare standalone prescription drug plans (PDPs) and Medicare Advantage Prescription Drug (MA-PD) plans. The study used commercial insurance as a comparison group and defined competitive classes as those with at least three commercially available, eligible brand-only drugs.

The IRA introduced major changes to Part D benefit design, including a cap on patient out-of-pocket costs and increased catastrophic phase liability for plans and manufacturers effective January 1, 2025 The study's findings add to the growing body of evidence on the unintended consequences of Part D changes in the post-IRA landscape — including increased deductibles, shifts to coinsurance, and reduced coverage of therapeutic alternatives to drugs selected to the IRA's Drug Price Negotiation Program (DPNP). Incentives to increase formulary exclusions may be highest in therapeutic classes with multiple branded prescription drugs, where plans can leverage their option to exclude competitors from formularies to negotiate higher rebates.

"As implementation of the Inflation Reduction Act continues, we're still learning how many provisions are shaping access for Medicare beneficiaries," said Dr. Campbell, study co-author and NPC Chief Science Officer. "This research finds that beneficiaries are losing coverage for certain drugs at a higher rate than those with commercial insurance. Unfortunately, this observation is consistent with one of the theorized unintended consequences of the IRA."

The findings suggest that, on average, 4.5 million Medicare (2.7M PDP and 1.8M MA-PD) beneficiaries lost insurance coverage to previously covered branded medicines across 16 competitive classes.

Additional key findings include:

- Medicare coverage declined in both 2025 and 2026, with greater reductions in standalone PDPs than MA-PD plans.

- In 2024, the average proportion of beneficiaries with coverage was the highest in commercial plans (71.4%), followed by MA-PD (52.3%) and PDP plans (47.4%).

- At the drug level, coverage decreases from 2024-2026 affected over 5% of beneficiaries for over half of included drugs (50.9%, 30/59) in PDP plans (representing a decline of at least 1.14M beneficiaries per drug).

- At the class level, coverage declined by at least five percentage points on average from 2024-2026 in ten of 16 classes in PDPs, seven of 16 in MA-PD, and in three included classes in commercial plans.

The authors note future research is needed as the IRA implementation continues. The findings also suggest a need to monitor Medicare patients' access to medicines, health outcomes, and whether existing Part D formulary review processes are safeguarding that access.

About the National Pharmaceutical Council

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