

Helping Medicare Patients

Navigate the Donut Hole



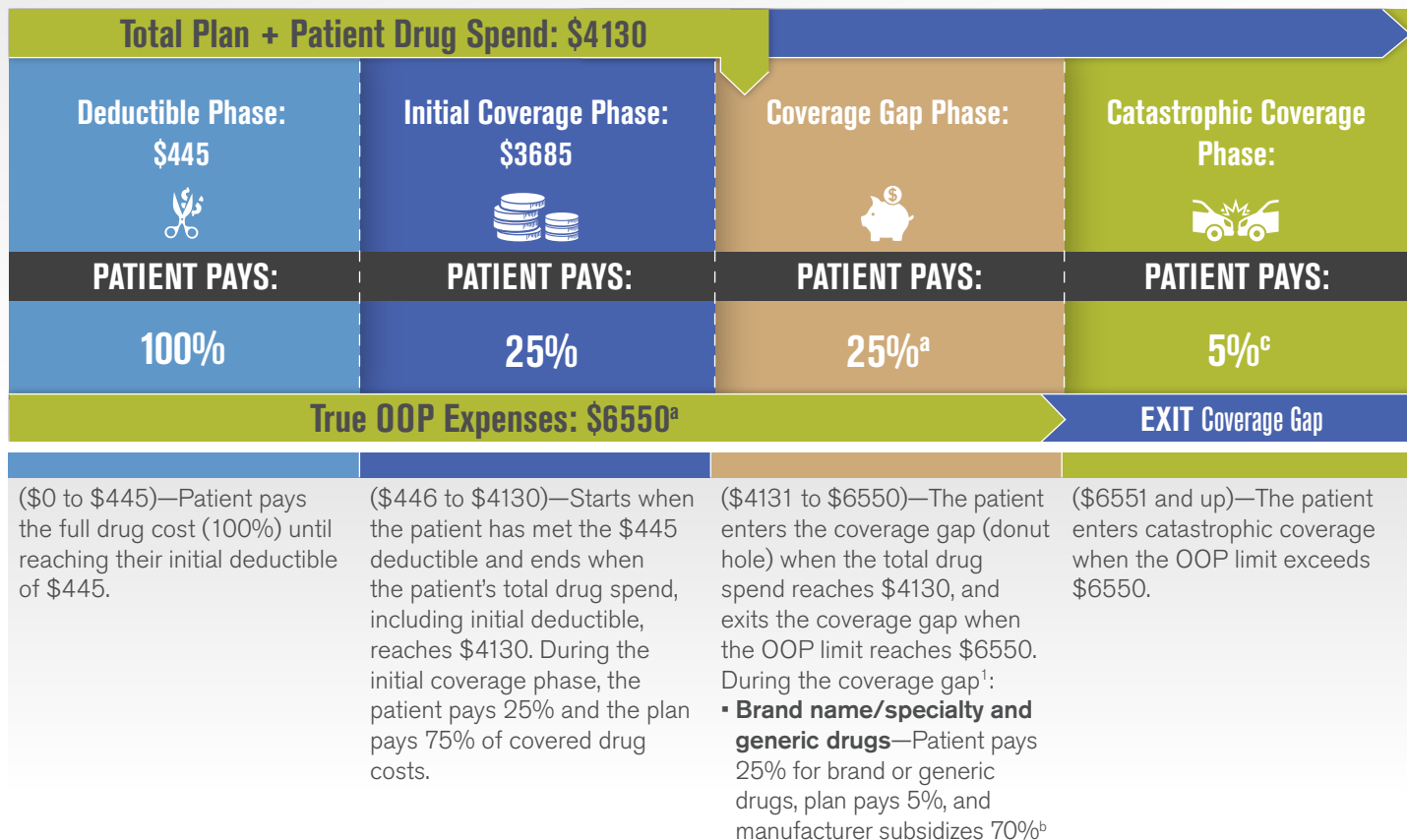
THE CHALLENGE FOR MEDICARE PATIENTS

Many Medicare patients face a challenge in paying for their drugs and related medications. Over the course of a calendar year, their share of out-of-pocket (OOP) costs for medications can vary from as low as 5% to as much as 100%.^{1,2}

For patients with fixed incomes and limited savings, this variation can make budgeting difficult. By helping your patients understand the Medicare Part D prescription drug benefit design, you can help ensure that they are prepared for variations in monthly expenses.

As of January 1, 2021, Medicare patients enrolled in the Part D Senior Savings Model will pay no more than \$35 for a 30-days' supply of insulin in the deductible, initial coverage, and coverage gap phases.³

KEY COMPONENTS OF THE 2021 MEDICARE STANDARD BENEFIT DESIGN^{1,2*}



*Does not apply to Senior Savings Model (SSM) or low income subsidy (LIS) beneficiaries.

^aInclusive of manufacturer discount on brand name drugs when applicable.

^bFor generic drugs, the plan pays 75%.¹

^cDuring this stage, the patient pays 5% of the drug cost or a \$9.20 copay for brand name drugs and \$3.70 copay for generics, whichever is greater.^{1,2}

Navigating the Donut Hole

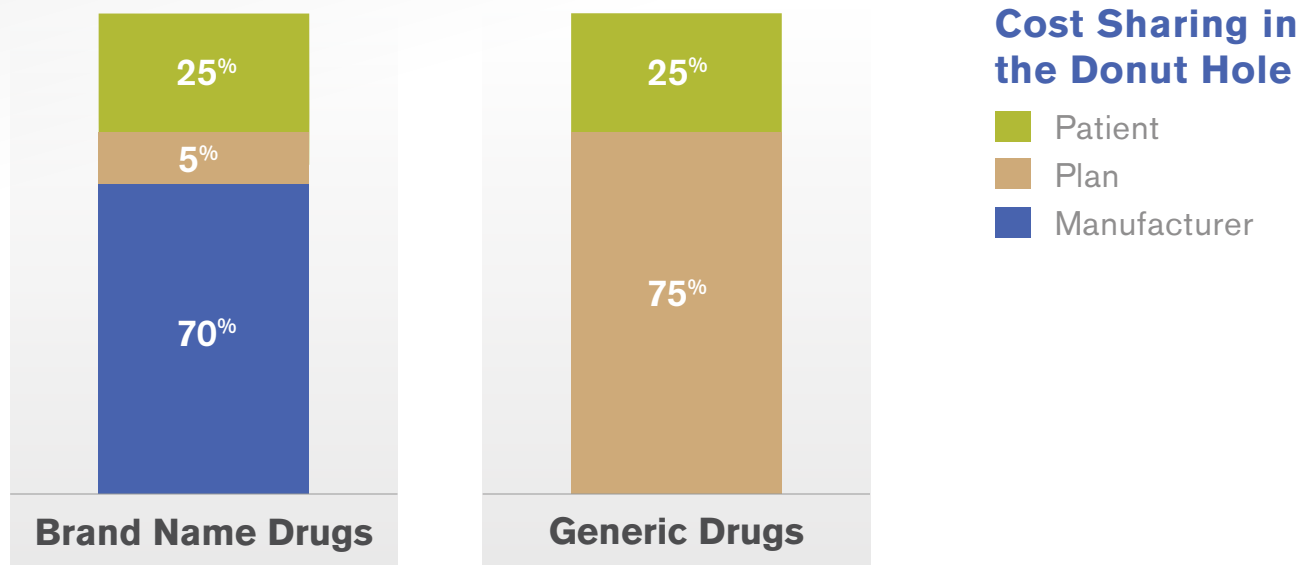


GETTING OUT OF THE DONUT HOLE—WHAT COSTS COUNT?

Patients move out of the donut hole once total OOP costs for each year total \$6550.²

OOP costs that count toward the \$6550 ^{1,2}	
Yearly \$445 deductible	
25% paid during initial coverage for coinsurance and copayments	
25% copay for covered brand name and generic medications during the coverage gap	
70% mandated discount provided by manufacturers for branded drugs	
OOP costs that don't count toward the \$6550 ⁴	
Drug plan premiums	
Patient costs for drugs not covered under the Medicare Part D benefit	

BRAND NAME AND GENERIC DRUG COST SHARING FOR MEDICARE PATIENTS IN 2021⁴



Additional information on the Medicare program and costs in the coverage gap are available at www.cms.gov and www.medicare.gov.

References: 1. The Henry J. Kaiser Family Foundation. An Overview of the Medicare Part D Prescription Drug Benefit. Published October 2020. Accessed January 22, 2021. <https://www.kff.org/medicare/fact-sheet/an-overview-of-the-medicare-part-d-prescription-drug-benefit/> 2. Q1 Group LLC. Accessed January 22, 2021. <https://q1medicare.com/> 3. CMS.gov. Accessed January 22, 2021. <https://innovation.cms.gov/innovation-models/part-d-savings-model/> 4. Medicare.gov. Accessed January 22, 2021. <https://www.medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/>