

Helping Medicare Patients

# Navigate the Donut Hole



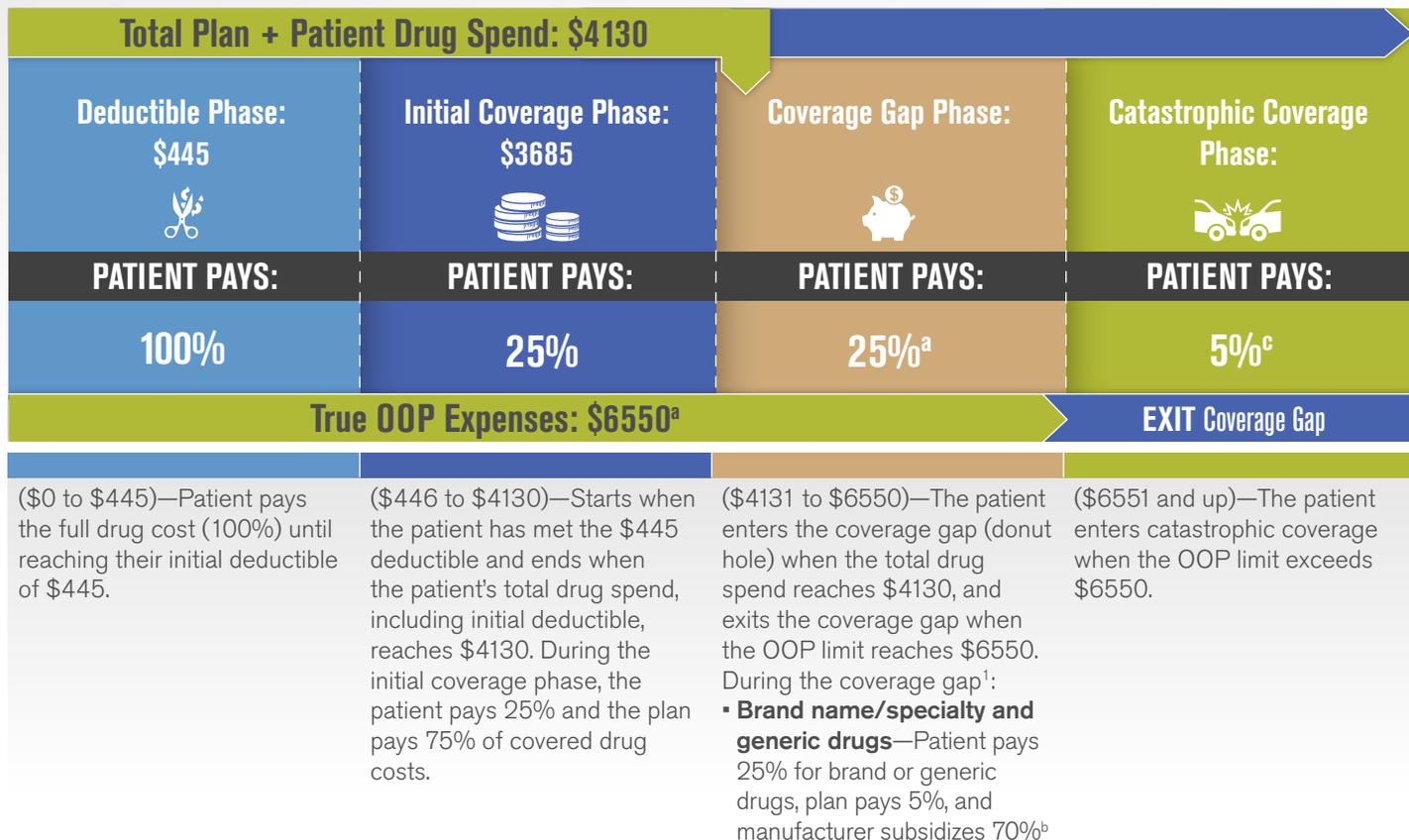
## THE CHALLENGE FOR MEDICARE PATIENTS

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%.<sup>1,2</sup>

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.<sup>3</sup>

## KEY COMPONENTS OF THE 2021 MEDICARE STANDARD BENEFIT DESIGN<sup>1,2\*</sup>



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

<sup>a</sup>Inclusive of manufacturer discount on brand name drugs when applicable.

<sup>b</sup>For generic drugs, the plan pays 75%.<sup>1</sup>

<sup>c</sup>During 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.<sup>1,2</sup>

# Navigating the Donut Hole

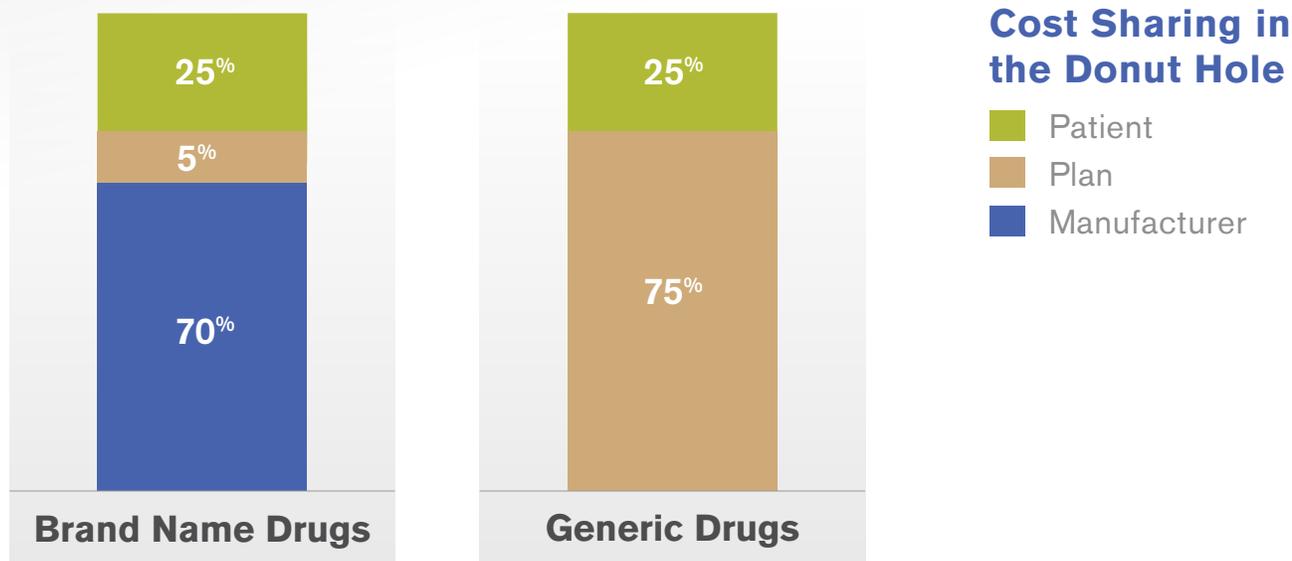


## GETTING OUT OF THE DONUT HOLE—WHAT COSTS COUNT?

Patients move out of the donut hole once total OOP costs for each year total \$6550.<sup>2</sup>

OOP costs that count toward the \$6550 <sup>1,2</sup>	
Yearly <b>\$445</b> 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 <sup>4</sup>	
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 2021<sup>4</sup>



Additional information on the Medicare program and costs in the coverage gap are available at [www.cms.gov](http://www.cms.gov) and [www.medicare.gov](http://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/>