



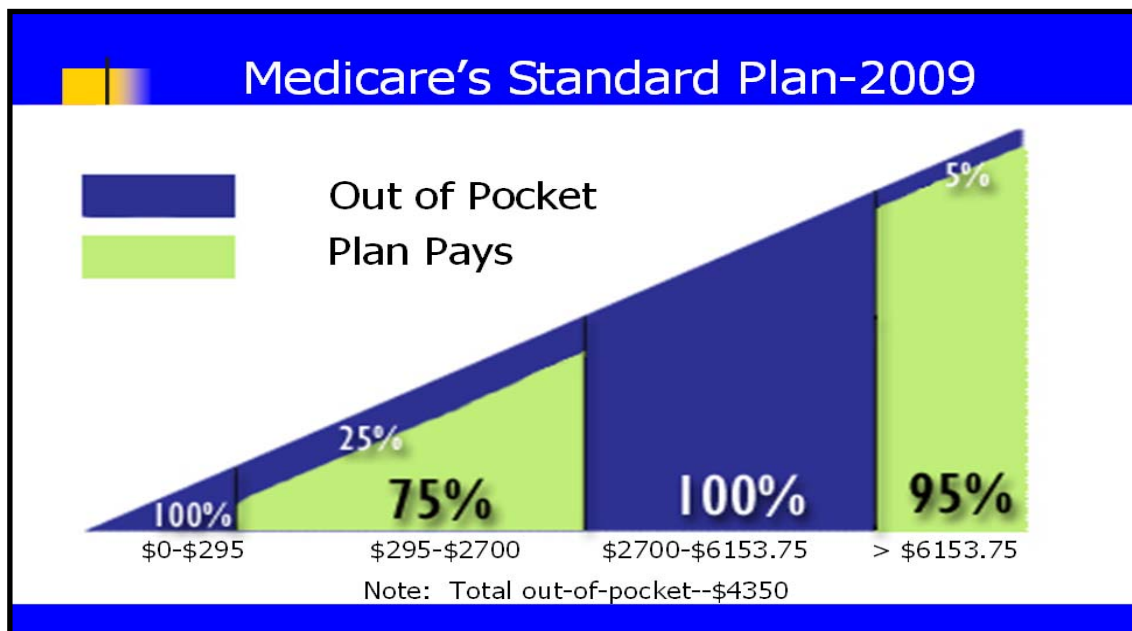
## MEDICARE PART D “DONUT HOLE” 2009 FACT SHEET

### What is it?

- The “donut hole” refers to the gap in many Medicare Prescription Drug Programs (Part D) during which the consumer must pay 100 percent out-of-pocket for drug purchase costs.
- In 2009, 12 Medicare prescription-only plans offer coverage without any gap (down from 17 in 2007). Coverage is for generic drugs only.
- In the coverage gap, the consumer pays 100 percent of his or her drug costs (plus the monthly premium) until the plan’s out-of-pocket limit is reached. At that time, the consumer will get “catastrophic” coverage that covers 95 percent of the drug costs for the rest of the calendar year. The consumer pays the remaining 5 percent.
- Coverage starts over at the beginning of each new calendar year.

### What are the costs of Medicare Part D?

- Plans in Ohio charge a monthly premium, depending on coverage.
- Plans can include an annual deductible of up to \$295.
- The consumer typically pays 25 percent of drug costs between \$295 and \$2,700.
- The consumer then pays 100 percent of drug costs between \$2,700 and \$6,153.75 (the donut hole).
- The consumer pays 5 percent for drug expenses for catastrophic coverage (above \$6,153.75).
- Although amounts may vary based on plan selected, there are two constants: the \$295 maximum deductible and a \$6,153.75 maximum for coverage gap expenses.



\*Chart source:  
Dave Winslow,  
COAAA, 2008

## Medicare Part D programs offered in Ohio

- 49 Stand alone prescription drug plans
  - Monthly premiums range from \$16.90 to \$97.50.
  - 12 plans offer gap coverage (for generics only).
- 119 Medicare Advantage health plans offer prescription coverage (must have Medicare A & B plans to participate).
  - Monthly premiums of \$0 to \$190.
  - 52 plans offer gap coverage on some or all generics, eight offer additional coverage on a few brands.

## Can Ohio's Best Rx be used during the donut hole?

The Centers for Medicare and Medicaid Services (CMS) advises consumers to continue to use their Medicare drug plan card to purchase drugs at the plan's discounted rates.

However, if the Part D plan does not offer gap coverage or only offers coverage on generics, Ohio's Best Rx may be used during the donut hole and any money spent by the consumer should count toward the maximum out-of-pocket expenses.

*Note: The merits of using the Ohio's Best Rx prescription discount card during the donut hole should always be weighed on an individual basis, comparing the benefits of discounts versus accessing catastrophic coverage sooner.*

### **For more information:**

Call 1-800-MEDICARE or visit: [www.medicare.gov](http://www.medicare.gov)

For assistance with comparing plans, completing an application, scheduling a speaker to talk to a group, contact the Ohio Department of Insurance's Senior Health Insurance Information Program (OSHIIP) at 1-800-686-1578 or visit [www.ohioinsurance.gov](http://www.ohioinsurance.gov).

Ohio's Best Rx: 1-866-923-7879 or visit [www.OhioBestRx.org](http://www.OhioBestRx.org)