

Medicare Support Center

at  **CVS**

a non-governmental program

The Medicare Part D Donut Hole

Hit that **sweet spot** for prescription drug costs—and avoid the dreaded “donut hole.”

Ready to Bake?

Medicare Part D puts an annual spending limit on what you and your plan pay for prescription drugs. Hit that limit, and you enter the coverage gap, also known as the donut hole.



Wait, I thought the gap had closed?

Not entirely. Before 2019, you paid 100% of your drug costs after you reached the coverage gap. Now, you pay 25%.

In 2023, the Medicare Part D spending limit is **\$4,660**, up from **\$4,430** in 2022.

Avoiding the Gap

To **cut your costs** and help avoid the coverage gap, you can:

-  **Switch** to generic or less-expensive drugs. If available, use your pharmacy's mail-order option. Or opt for a 90-day supply of your medication if your meds can be prescribed in larger supplies.
-  **Shop** for a drug plan with better coverage for your medications. Or look for a plan with additional coverage during the Medicare coverage gap.
-  **See** if a Pharmaceutical Assistance Program can help. Visit [Medicare.gov](https://www.Medicare.gov) and search “pharmaceutical assistance.”

If you qualify for **Extra Help**, the coverage gap doesn't apply to you.

Getting Your Fill

You're in the coverage gap once you and your plan spend \$4,660 combined on drugs (including deductible).

Now, you'll generally pay **no more than 25%** of the cost for prescription drugs until your out-of-pocket spending is \$7,400.



A New Recipe

(to Get Out of the Coverage Gap)

Main Ingredient

\$7,400 out-of-pocket on drugs (up from \$7,050 in 2022).

Once you spend this amount, you qualify for “catastrophic coverage” and are out of the coverage gap. Now, you pay a **small amount** for covered drugs the rest of the year.

In most cases, you'll pay **no more than 5%** of the cost for covered drugs the rest of the year.

Directions

While \$7,400 may sound like a lot, Medicare helps you get there.

For example, for brand-name drugs only, the amount covered by the manufacturer counts toward your out-of-pocket costs.

What can go toward your out-of-pocket costs:

- Your annual deductible, coinsurance, and copayments
- What the manufacturer pays for brand-name drugs only
- The 25% you pay while you're in the coverage gap, including both brand-name and generic drugs

What doesn't count:

- The drug plan premium
- Pharmacy dispensing fee
- What you pay for drugs that aren't covered

Serving Size

More than 49 million people are enrolled in Part D coverage. According to the Kaiser Family Foundation, only 1.2 million enrollees spent more than \$2,000 out of pocket in 2019. Of these, the average spent was \$3,216.

About 122,000 people spent at least \$5,348 and 12,000 people spent nearly \$12,000 or more on their prescription drugs.

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What's Your Flavor?



Are you having trouble finding the right ingredients for your Part D plan? Talk with a licensed insurance agent. They'll help you find a plan that works for your needs.

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1-844-672-0317 (TTY: 711)
Monday–Friday | 9 AM–6 PM ET

www.MedicareSupportCenter.com

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