

The Medicare Part D 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**.

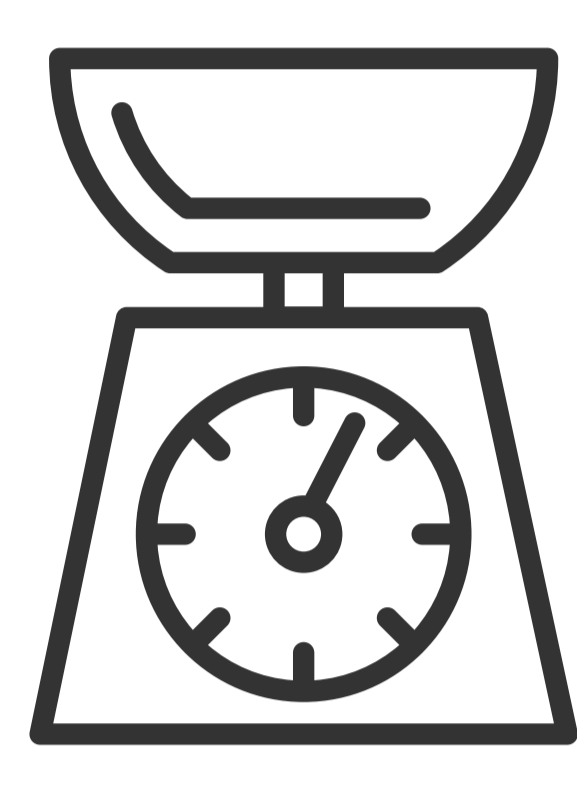


Wait, I thought the gap had closed?

Not entirely. Before 2019, you paid 100% of your drug costs after you reached the coverage gap. Now, you pay 25%. 2024 is the last year for the **donut hole**.

In 2024 the Medicare Part D spending limit is \$5,030 up from \$4,660 in 2023.

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 **\$5,030 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 \$8,000.

75% off



A New Recipe

(to Get Out of the Coverage Gap)

Main Ingredient:

\$8,000 out-of-pocket on drugs (up from \$7,400 in 2023).

Once your out-of-pocket spending reaches \$8,000, you'll automatically get "catastrophic coverage."

Directions:

While \$8,000 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.

Serving Size:

More than 50 million people are enrolled in Part D coverage according to the Kaiser Family Foundation. Medicare Part D is placing an annual cap on out-of-pocket costs under the Part D program starting at \$2,000 in 2025.*

Due to the Inflation Reduction Act the average out-of-pocket spend in 2022 was \$5,247 a decrease of \$101 over previous years.*

Starting January 1, 2024, once you get catastrophic coverage, you won't have to pay a copayment or coinsurance for covered Part D drugs for the rest of the calendar year.

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

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.

Medicare
Support Center

at  CVS
a non-governmental program

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

www.MedicareSupportCenter.com

*Source: ASPE-IRA-Drug-Negotiation-Fact-Sheet-9-13-2023