

Have You Reached the Donut Hole in Your Medicare Drug Plan?

Most Medicare prescription drug plans have a gap in coverage, sometimes referred to as a “donut hole.” In 2017, after you have accumulated \$3,700 in total covered drug costs (what you and the plan have paid); you pay 40% of plan covered brand name drugs and 51% of plan covered generic drugs. Once you have spent \$4,950 out-of-pocket (that includes what you pay and the 50% discount paid by the drug manufacturer) you will pay the greater of 5% or \$3.30 co-pay for generics and \$8.25 for brand for the rest of the calendar year.

What Are My Options During the Gap?

1. Keep using your Medicare prescription drug card.

- Plan prices are generally lower than retail cost.
- The money you spend will count toward the \$4,950 you need to spend in order to receive catastrophic coverage benefits.

2. Switch to generic or less expensive brand-name drugs.

- Contact your doctor to see if you can change to a generic. This could reduce your co-payments and help maximize savings.
- You may be able to lower your costs if your doctor will prescribe double your dosage, (e.g. 20mg instead of 10mg), and you cut the tablet in half. You will only need to purchase 15 pills a month instead of 30. It is very important to check with your doctor as this cannot be done with all medications.
- Check with your Part D plan to see if you could save money using mail-order.

3. Try to avoid reaching the gap.

- You can ask if your pharmacist to not apply certain drugs to your Part D card.
- Check into purchasing generic drugs through low cost programs available at some chain stores such as Wal-Mart, Target and K-mart. To avoid using multiple pharmacies, ask if your pharmacy will match these programs.

4. Explore other available assistance.

- Contact the Social Security Administration to see if you qualify for extra help in paying for your prescription drug plan.
- Look into Patient Assistance Programs. Many of the major drug companies offer assistance programs. You can find out if assistance is available for the drugs you take by going to www.medicare.gov and select “Get help with costs” at the lower right hand side of the screen. Then click on “Save on drug costs” on the left hand side of the screen. At the bottom of the next screen you will click on “Find out if the company that makes your drug offers help paying for it.”
- Ask your doctor about free samples for your prescription.

5. Review your current plan and do a comparison every year. SHIP can help.

- Plan ahead for the gap. A comparison will give you an estimate of your yearly costs including what month you will reach the gap. Divide your costs by 12 and set aside enough money to cover your costs when you reach the gap.

For more information, contact the Iowa Senior Health Insurance Information Program (SHIP) at 1-800-351-4664.