

Changes To Medicare For 2024

65 M consumers are projected to be enrolled in Medicare by 2024

The Coverage Gap Explained

What is the donut hole?

The donut hole is the 2nd coverage period throughout Part D Medicare. You enter this period when your total drug costs reach **\$5,030**

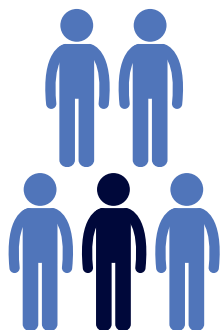


How do I get out?

You get out of the donut hole once you reach the catastrophic coverage period. You reach this 4th period once your out-of-pocket drug costs are **\$8,000**

How likely is it?

1 in 5 consumers reach the donut hole each year



Expenses Are Increasing

Part B premiums \$174.70

The standard is increasing. High income earners pay more.

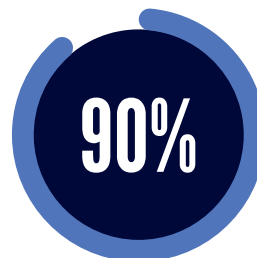


More Out-of-Pocket Costs

The Part B deductible is **\$240** and the Part D deductible has increased from \$505 to **\$545** (Not every plan has a deductible and some are lower)

Losing Money to Drugs

87% of seniors do not review their drug plan annually. A review may save you an average **\$1000** annually



9 in 10 seniors are affected



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Currently, we represent 50-100 organizations that offer dozens of products in your area. You can always contact Medicare.gov, 1-800-MEDICARE, or your local State Health Insurance Program (SHIP) for help with plan choices.

Catastrophic Period

The Catastrophic Period has been eliminated for 2024. Check below for details.



Donut Hole Drug Costs

Generic Drugs - 25%
Brand Name - 25% + small fee

“My drug costs at the pharmacy suddenly increased and my pharmacist said it’s because I’m in the coverage gap.”

What is the coverage gap and how do I get out?

The coverage gap- or as it’s more commonly known, “the donut hole”- is one of the four coverage periods people with Medicare Part D can be in during the year. Many people find out they’ve reached the doughnut hole when they unexpectedly get a big bill at the pharmacy. You reach the donut hole after you have gone through the deductible (the 1st coverage period; the deductible in 2023 was **\$505** and in 2024 it is **\$545**) and the initial coverage periods (the 2nd coverage period). In 2024, you enter the donut hole when your total drug costs reach **\$5,030**. Your total drug costs are what you and your plan have spent on covered prescriptions since the start of the year. (In 2023, you entered the donut hole if your total drug costs reached **\$4,660**.)

Your costs at the pharmacy temporarily increase when you’re in the donut hole. In the past, people were usually responsible for the full cost of their prescriptions during this period. However, because of health reform, discounts are now available while in the coverage gap (the 3rd coverage period). These discounts will increase every year. In 2024, the discount on covered brand-name drugs is **25%** plus a small fee and the discount on covered generics is **25%**.

So, how do you get out of the donut hole? In 2024, you get out of the donut hole and into the 4th coverage period (catastrophic coverage) when you have spent **\$8,000** out-of-pocket on drugs since the start of the year. This amount includes what you’ve paid out-of-pocket, but it does not include your premium or anything your plan paid toward your drugs. (It does include your deductible, your co-pays or coinsurance, and what you pay while in the gap - including the discounts on brand name medications while in the gap; you get credit for the 95% of the cost of the brand name medication. Your plan pays **75%** of the cost of brand name drugs while in the donut hole.

In 2023, if you reached the catastrophic coverage level you paid **\$4.15** for generics or preferred drugs and **\$10.35** or **5%** for all other drugs. Starting January 1, 2024, once your out-of-pocket spending reaches \$8,000 (including certain payments made by other people or entities, including Medicare’s Extra Help program, on your behalf), you’ll automatically get “catastrophic coverage.” This means you won’t have to pay a copayment or coinsurance for covered Part D drugs for the rest of the calendar year.



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