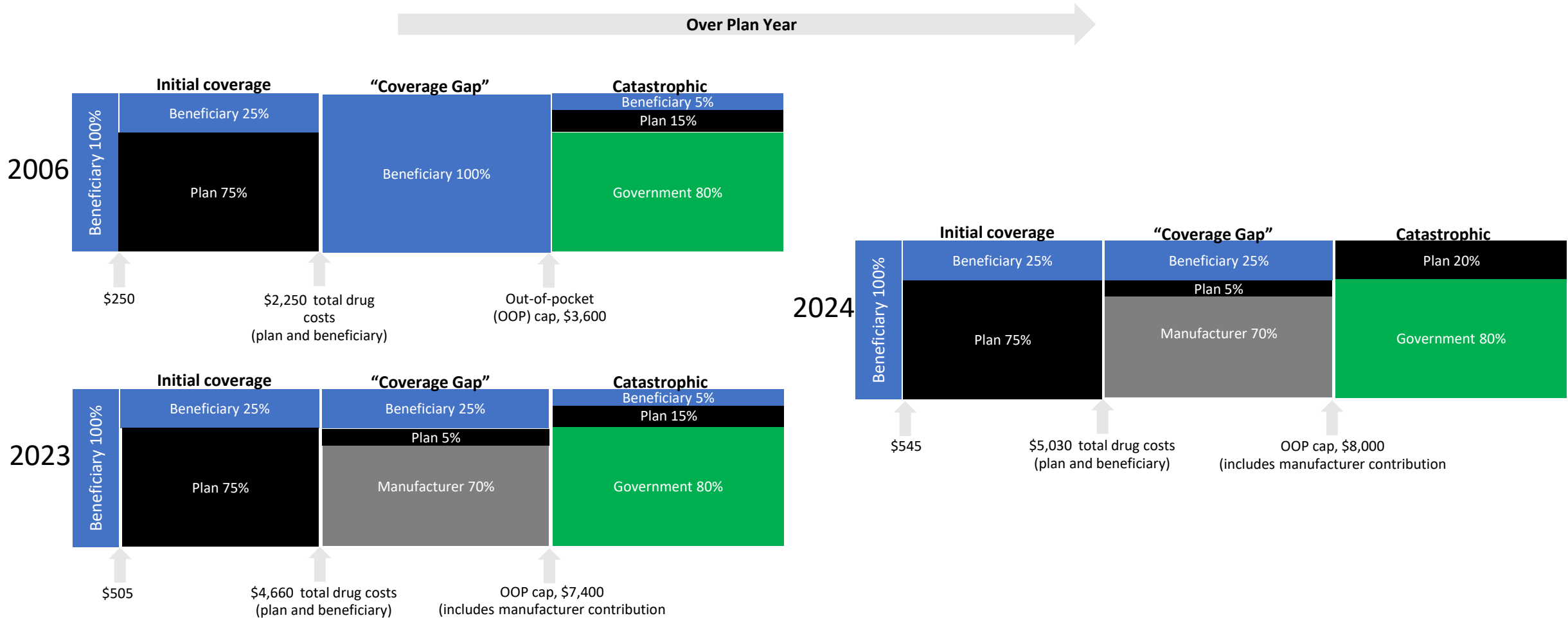


Medicare Prescription Drug Benefit Evolution



Sources:

<https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/downloads/cy07partdparameterupdate.pdf>

<https://www.cms.gov/files/document/2023-announcement.pdf>

<https://www.cms.gov/files/document/2024-announcement.pdf>

Medicare Prescription Drug Benefit Evolution: What it means for patients

Total Annual Patient Out-of-Pocket Spending

Cost of drug per month	2006	2023	2024
\$600	\$3,700	\$2,180	\$2,210
\$5,000	\$6,345	\$5,545	\$3,330
\$12,000	\$10,545	\$9,745	\$3,330

- Patients are paying comparatively less than they did in 2006 because of the manufacturer coverage gap discount program.
- Starting in 2024, beneficiaries have no cost-sharing in the catastrophic phase of the benefit.
- Starting in 2025, there is a \$2,000 out-of-pocket spending cap and the possibility to have that “smoothed” over the course of the year.