

The Affordable Care Act and Medicare: The Doughnut Hole in 2015

The Affordable Care Act closes the Part D doughnut hole—the gap in Medicare prescription drug coverage—by gradually reducing the consumer’s share of drug costs over a period of ten years. In 2015, just as in 2014, you get a discount on drugs when you’re in the doughnut hole.

- When do I reach the doughnut hole?
 - The doughnut hole starts when you and your Part D plan spend \$2,960 on drugs your plan covers. These are total drug costs, including what you pay plus what your plan pays. In some Part D plans, you may pay a \$320 deductible before your plan begins to pay for drugs. Some plans have a deductible and some do not. After the deductible, you pay a coinsurance of 25 percent before you reach the doughnut hole.
- What do I pay in the doughnut hole?
 - You pay **45 percent** of the cost of covered brand-name drugs in 2015.
 - You pay **65 percent** of the cost of covered generic drugs and drugs compounded at the pharmacy in 2015.
 - You pay the full cost of dispensing fees that some pharmacies charge to fill the prescription.
 - If only part of a claim is in the doughnut hole, you only get a discount on that part of the claim.
- How do I get the discount?
 - You get the discount when you buy your drugs at a store or mail order. You don’t need to apply for it.
 - If you believe the discount was miscalculated or you should have gotten a discount but did not, you may [appeal to your Part D plan](#).
- When does the doughnut hole end and catastrophic coverage begin?
 - The doughnut hole ends when your out-of-pocket costs reach \$4,700 in 2015.
 - Your out-of-pocket costs include the deductible, what you paid during the initial coverage period, what you paid during the doughnut hole and 50 percent of the 55 percent of the brand-name drug discount you get while in the doughnut hole.
 - After reaching \$4,700 limit, you pay either a 5 percent coinsurance for covered drugs or a copay of \$2.55 for covered generic drugs and \$6.35 for covered brand-name drugs, whichever is greater.

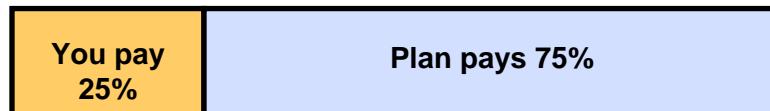
To learn more about how the Affordable Care Act closes the doughnut hole, read [Health Reform and Medicare: Closing the Doughnut Hole](#).

Your Costs in a Standard Part D Plan in 2015

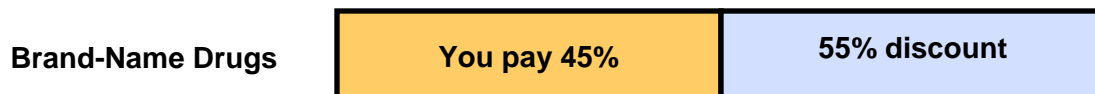
Deductible: Some plans have a deductible of **\$320**
Some plans do not have a deductible



Initial Coverage Period: Starts after you meet the deductible, if you have one



The Doughnut Hole: Begins when total drug costs reach **\$2,960**



*Note: 50% of the 55% brand-name discount counts toward getting out of the doughnut hole. So do all of your out-of-pocket drug costs and payments from other people and groups such as charities and state drug assistance programs. The 28% generic discount doesn't count.

Catastrophic Coverage Period: Starts when out-of-pocket costs reach **\$4,700**

