

Medicare



ICBN

INDEPENDENT COMMUNITY BROKER NETWORK



Bonus: The Donut Hole – 2024 vs. 2025 What's Changed

2024

Deductible

Enrollee Pays:
100% of their drug cost until the Part D deductible is met.

Deductible maximum is \$545

Initial Coverage

Enrollee Pays:
25% of total drug cost

A copayment or coinsurance for each formulary covered drug.

Part D Plans Pay:
75% of total drug cost
Until the combined total is \$5030

**Gap
("The Donut Hole")**

Enrollee Pays:
25% up to \$8000 TROOP

Part D Plan Pays:
75% Generic drugs
5% Brand-name drugs

Drug Manufacturer Pays:
70% Brand-name drugs

Catastrophic

Enrollee Pays:
\$0

Part D Plan Pays:
20% of total drug costs

Drug Manufacturer Pays:
80% of total drug costs

\$8,000 out-of-pocket maximum

THE DONUT HOLE: 2024 vs. 2025

2025

Deductible

Enrollee Pays:
100% of their drug cost
until the Part D
deductible is met.

Deductible maximum
is \$590

Initial Coverage

Enrollee Pays:
25% of total drug cost

A copayment or coinsurance
for each formulary covered
drug.

Part D Plans Pay:
75% of generic drug cost
65% of Brand drug cost

Drug Manufacturer:
10% discount on brand name
drugs

Catastrophic

Enrollee Pays:
\$0

Part D Plan Pays:
60% of total drug costs

Drug Manufacturer 10%
discount on brand-name drugs

Medicare Pays:
20% of brand-name drugs
40% of generic drugs

\$2,000 out-of-pocket maximum

2024

Deductible	Initial Coverage	Gap ("The Donut Hole")	Catastrophic
<p>Enrollee Pays: 100% of their drug cost until the Part D deductible is met.</p> <p>Deductible maximum is \$545</p>	<p>Enrollee Pays: 25% of total drug cost</p> <p>A copayment or coinsurance for each formulary covered drug.</p> <p>Part D Plans Pay: 75% of total drug cost Until the combined total is \$5030</p>	<p>Enrollee Pays: 25% up to \$8000 TROOP</p> <p>Part D Plan Pays: 75% Generic drugs 5% Brand-name drugs</p> <p>Drug Manufacturer Pays: 70% Brand-name drugs</p>	<p>Enrollee Pays: \$0</p> <p>Part D Plan Pays: 20% of total drug costs</p> <p>Drug Manufacturer Pays: 80% of total drug costs</p>
\$8,000 out-of-pocket maximum			

2025

Deductible	Initial Coverage	Catastrophic
<p>Enrollee Pays: 100% of their drug cost until the Part D deductible is met.</p> <p>Deductible maximum is \$590</p>	<p>Enrollee Pays: 25% of total drug cost</p> <p>A copayment or coinsurance for each formulary covered drug.</p> <p>Part D Plans Pay: 75% of generic drug cost 65% of Brand drug cost</p> <p>Drug Manufacturer: 10% discount on brand name drugs</p>	<p>Enrollee Pays: \$0</p> <p>Part D Plan Pays: 60% of total drug costs</p> <p>Drug Manufacturer: 10% discount on brand-name drugs</p> <p>Medicare Pays: 20% of brand-name drugs 40% of generic drugs</p>
\$2,000 out-of-pocket maximum		

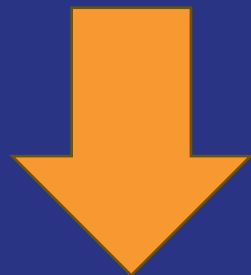
The Predicted Impacts:



Increased premiums on Standalone Drug Plans



Higher deductibles that impact more tiers of drugs



Decreased Medicare Advantage benefits
Potential formulary reductions on standalone PDP



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Thank you!