Relief for seniors buying prescription drug coverage under Medicare who fall into the so-called donut hole has reached more than $460 million so far this year. The Affordable Care Act has provided almost 900,000 Americans an average benefit of $513.

States like California and New York saw a real boost to their economies as $45 million and $35 million was available to cover prescription drug costs for seniors on Medicare. Presumably, this supplemental coverage freed up millions of dollars for seniors to pay other bills.

As originally passed, the Medicare prescription drug benefit required seniors to cover the full of costs of prescriptions between $2,700 and $6,154. The 2010 federal health reform bill addresses the coverage gap by creating discounts on brand name and generic drugs purchased within the gap range. Between now and 2020, the donut hole will gradually be closed to the point where it is completely eliminated.

Dollars for Medicare Prescription Drug Coverage Gap, 2011 to date

By State, in Millions of Dollars

To read more:

- U.S. Dept. of Health and Human Services, Centers for Medicare and Medicaid Services [2]
- “What is the Donut Hole?” Healthcare.gov [3]
- CNN.Money [4]

By: Friday, October 7, 2011 at 04:11 PM

Tags:
Capitol Comments [5]