

HHS: Seniors saved more than \$6 billion because of health care law

Tom Gallagher | Mar. 25, 2013 NCR Today

According to a [March 21 press release](#) [1] from the U.S. Health and Human Services:

As the third anniversary of the Affordable Care Act approaches, Health and Human Services Secretary Kathleen Sebelius announced today more than 6.3 million people with Medicare saved over \$6.1 billion on prescription drugs because of the health care law.

"By making prescription drugs more affordable, the Affordable Care Act is improving and promoting the best care for people with Medicare," Secretary Sebelius said.

The Affordable Care Act makes Medicare prescription drug coverage (Part D) more affordable by gradually closing the gap in coverage where beneficiaries must pay the full cost of their prescriptions out of pocket. This gap is known as the donut hole.

People with Medicare in the donut hole now receive discounts when they purchase prescription drugs at a pharmacy or order them through the mail, until they reach the catastrophic coverage phase. The Affordable Care Act gave those who reached the donut hole in 2010 a one-time \$250 check, then began phasing in discounts and coverage for brand-name and generic prescription drugs beginning in 2011. The law will provide additional savings each year until the coverage gap is closed in 2020.

In 2013, the health care law increases the discounts and savings to 52.5 percent of the cost of most brand name drugs and 21 percent of the cost of covered generic drugs.

Also under the Affordable Care Act, those who choose to enroll in Medicare Advantage and Part D now have access to a wider range of high-quality plan choices, with more four- and five-star plans than were previously available. The Affordable Care Act continues to make Medicare more secure, with new tools and enhanced authority to crack down on criminals who cheat the program.

For more information on how the Affordable Care Act closes the donut hole, please visit:

<http://www.healthcare.gov/law/features/65-older/drug-discounts/> [2]

For state-by-state information on savings in the donut hole, please visit:

<http://downloads.cms.gov/files/DonutHoleSavingsSummary-March2013.pdf> [3]

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Links:

[1] <http://www.hhs.gov/news/press/2013pres/03/20130321a.html>

[2] <http://www.healthcare.gov/law/features/65-older/drug-discounts/>

[3] <http://downloads.cms.gov/files/DonutHoleSavingsSummary-March2013.pdf>