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## Medicare beneficiaries saving money

Many Medicare beneficiaries are concerned that the Affordable Care Act (ACA) will result in loss of benefits and higher costs to them. A recent report by the Centers for Medicare and Medicaid Services (CMS) indicates that seniors and disabled persons who have Medicare are saving money, especially on prescription drugs. Furthermore, the Medicare trust fund is stronger, its life extended by almost 10 years (<https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-Releases/2013-Press-Releases-Items/2013-10-28.html>).

For Medicare beneficiaries with prescription drug coverage (Part D), the “donut hole” or the gap in coverage for medications, has been costly for many. Prior to enactment of the ACA, once the coverage gap was reached, beneficiaries paid full cost out of pocket for prescription drugs until the gap was traversed, and catastrophic benefits were able to be accessed. In 2010, a rebate was offered for those who reached the donut hole. Starting in 2011, discounts were offered on covered brand name drugs, and savings on generic drugs. In 2014, “donut hole” savings will be approximately 53 percent on brand name drugs and 28 percent on the cost of generic drugs. Coverage will gradually increase until 2020 when the donut hole will be closed. To date, according to CMS, a total of \$8.9 billion has been saved for Medicare beneficiaries on their drug plan coverage by the 7.3 million beneficiaries who reached the coverage gap for their prescription medications.

Marilyn Tavenner, CMS Administrator, stated “Protecting seniors from the dreaded donut hole and high prescription drug costs is an important Affordable Care Act reform that Medicare beneficiaries have come to depend on.”

Medicare beneficiaries can look to other monetary benefits in 2014 as a result of the ACA. Since the ACA provisions have slowed the growth of Medicare spending, Medicare’s Part B premium will not increase in 2014. The Part B deductible also will not increase. Seniors and disabled persons will be able to retain more of their Social Security cost of living increase for 2014. Also as a result of the ACA, Medicare Advantage plans and Prescription Drug Plans are stable and strong. CMS projects the average basic Medicare prescription drug plan premium for 2014 to be \$31 per month. The deductible for standard Part D plans will decline by \$15 to \$310.00.

Medicare beneficiaries, in addition to the improvements in Medicare coverage, will now be able to appreciate the cost savings brought about by the ACA.

In other CMS news, Medicare now has a blog (<http://blog.medicare.gov>). There is good, easy to read and understand information about various Medicare topics. In the December 9 issue, there is information on getting ready for 2014. The traditional Medicare site at [www.medicare.gov](http://www.medicare.gov) is still the best source of information, but for selected topics and up to date information, check out the new Medicare blog.