

Seniors get stuck in Medicare donut hole

July 31 2006

Millions of senior Americans are seeing their drug costs skyrocket after maxing out their early coverage, the Washington Post reported.

The gap in insurance, popularly called the donut hole, is a provision in most of the private plans offered in Medicare's new Part D prescription drug program, the newspaper said.

Under a standard plan this year, Medicare handles 75 percent of drug costs after a deductible until the bill reaches \$2,250. Coverage does not kick in again until those costs total \$5,100.

The very poor, however, are eligible for special subsidies.

The Congressional Budget Office and the Kaiser Family Foundation projected that about 7 million recipients would be affected by the donut hole this year, the newspaper said.

Copyright 2006 by United Press International

Citation: Seniors get stuck in Medicare donut hole (2006, July 31) retrieved 23 April 2024 from https://medicalxpress.com/news/2006-07-seniors-stuck-medicare-donut-hole.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.