

## Comparison of Leading Medicare Prescription Drug Plans

|   | <b>Grassley Bill<br/>(108th Congress,<br/>as reported)</b>  | <b>House Republicans<br/>(HR 1)</b>   | <b>Rangel-Dingell<br/>(HR 1199)</b>  |
|---|---|---|--|
| <b>Deductible</b>   | \$275   | \$250   | \$100  |
| <b>Co-insurance:<br/>Deductible to<br/>gap</b>                                | 50%   | 20%   | 20%  |
| <b>Gap: Beneficiary<br/>pays 100% for<br/>drug spending<br/>in this range</b> | \$4,500 - \$5,812*  | \$2,000 - \$4,900+<br>(income-related up<br>to \$13,000)**  | N/A<br>(no coverage gap)   |
| <b>Rx stop-loss<br/>coverage</b>  | None.<br>10% coinsurance above<br>\$5,812 in total drug<br>spending   | Begins at \$4,900 of<br>total drug spending,<br>rises to \$13,000 for<br>wealthiest   | \$2,000 out of<br>pocket   |
| <b>Premiums</b>   | Estimated \$35<br>(average - will vary)   | Estimated \$35<br>(average - will vary)   | \$25 guaranteed  |
| <b>Low-income<br/>protections</b>   | <p>&lt;~74% FPL (dual eligibles): No benefit (remain in Medicaid)</p> <p>~74-100% FPL (\$6,735-8,980): No premium***; no deductible; 2.5% co-insurance before gap, 5% in gap and 2.5% after gap. May be subject to assets test.</p> <p>100-135% FPL (\$8,980-12,123): No premium***; no deductible; 5% co-insurance before gap, 10% in gap and 2.5% after gap. May be subject to assets test.</p> <p>135-160% FPL (\$12,123-14,368) and lower-income who exceed assets test: Sliding scale premium assistance***; \$50 deductible; 10% co-insurance before gap, 20% in gap. Standard post-gap coverage. Assets test waived.</p> | <p>&lt;135%FPL (\$12,123): No premium***, no deductible, co-payments between \$2-5. Mandatory assets test. No coverage in gap.</p> <p>135-150% FPL (\$12,123-13,470): Sliding scale premium assistance only (subject to standard cost-sharing requirements). Mandatory assets test.</p> | <p>&lt;150% FPL (\$13,470): No premium, no deductible, no cost-sharing. Assets test waived.</p> <p>150-175% FPL (\$13,470-15,715): Sliding scale premium assistance, no deductible, no cost-sharing. Assets test waived.</p> |
| <b>Structure</b>  | Provided through private plans or, if <2 plans in a region, through Medicare contractors  | Provided through private plans; no fallback (and no benefit) if plans don't materialize.  | Provided through Medicare by contractors   |

\*Gap ends at \$3,700 in "true" out-of-pocket spending, which equals \$5,812 in drug spending

\*\*Stop-loss begins at \$3,500 in out-of-pocket spending for a beneficiary with income under \$60k and rises to \$11,600 for a beneficiary with income of \$200k; corresponding drug spending equals \$4,900 and \$13,000.

\*\*\*Full premium subsidy for plans at/below national average, otherwise premium pegged to cheapest regional plan