Medicare's Basic Benefit: Besides the monthly premium, you pay ...

100% of your annual deductible (max. $415)

25% of prescription costs during your Initial Coverage Period
($955 for someone with no deductible; $851.25 for someone in $415 deductible plan)

You reach the $3,820 initial coverage limit — you're headed for the donut hole.

Donut Hole/ Coverage Gap = drug costs of $3,820 to $7,653.75

Your drug costs have reached $7,653.75 and catastrophic coverage begins.
(You pay 5%, or $3.40 for generics and $8.50 for brand-name drugs, whichever is greater.)

Need help paying for drugs?
You may be eligible for Extra Help. Visit BenefitsCheckUp.org or ssa.gov/prescriptionhelp to apply.

Before the Affordable Care Act: You paid 100% out-of-pocket while in the donut hole.

After the Affordable Care Act: In 2019, you pay 25% for brand-name drugs and 37% for generics while in the donut hole.