



Part D: A Medicare Success Story

Medicare Part D is the rare government program that has repeatedly come in under budget.

- The Medicare Part D program costs came in nearly \$350 billion less than the Congressional Budget Office's initial 10-year estimate. (Source: *Figures from the Congressional Budget Office*)¹
- In 2017, Medicare Part D spending was just 15 percent of total Medicare spending (Source: *Biotechnology Innovation Workforce*)²

Medicare Part D is helping control government costs by reducing spending in Parts A and B.

- Savings in out-of-pocket costs have led to an increase in prescription use by beneficiaries. Studies have shown this has benefitted the entire Medicare system by leading to a decrease in hospitalizations and a decrease in spending on hospitalizations. (Source: *Biotechnology Innovation Organization*)³
- Part D remains one of the most successful cost-control experiments in Medicare with spending remaining consistently stable over the past decade, even dropping in the past two years. (Source: *CMS.gov*)⁴

Medicare Part D enjoys high satisfaction rates among beneficiaries and is increasing access to needed medicines.

- According to recent studies, an average of 87 percent of seniors enrolled in Medicare Part D are satisfied with their coverage (Sources: *Medicare Today Beneficiary Satisfaction Survey, 2019*)⁵
- A majority of seniors believe their monthly premiums (85 percent) and co-pays (86 percent) are affordable. (Source: *Health Leadership Council*)⁶
- In 2019, the average monthly premium for a prescription drug plan was estimated to be \$39.63—a 4 percent drop from 2018. Monthly premiums have remained relatively stable since 2011 and have consistently come below projected costs. (Source: *Kaiser Family Foundation*)⁷
- Nearly 11 million seniors gained comprehensive prescription drug coverage as a result of Part D in the first year of the program. In 2018, about 43 million Medicare beneficiaries had comprehensive prescription drug coverage through Part D. (Source: *Kaiser Family Foundation*)⁸

References:

¹ See CBO Medicare Baselines available at www.cbo.gov

² Biotechnology Innovation Organization, "Medicare Part D: Protecting America's Seniors and Taxpayers." January 2018.

³ Ibid.

⁴ CMS, "Trump Administration Drives Down Medicare Advantage and Part D Premiums for Seniors." September 2019.

⁵ Medicare Today, National Tracking Poll, June 2019. Available at: <http://medicaretoday.org/resources/senior-satisfaction-survey/>

⁶ Health Leadership Council, "Medicare Part D: The Successes and the Challenges." Available at: <https://www.hlc.org/post/medicare-part-d-the-successes-and-the-challenges/>

⁷ Kaiser Family Foundation, "An Overview of the Medicare Part D Prescription Drug Benefit." October 2018

⁸ Ibid.