



Citizens' Council for Health Freedom

# Health Freedom Minute

May 10, 2019

## **Specialty Drugs Send Taxpayer Part D Costs Sky High**

Once out-of-pocket costs hit \$5100 in Medicare Part D the patient pays only 5 percent for each drug. The insurer pays 15 percent, and taxpayers pay 80 percent.

This has become a problem as more high-cost specialty drugs enter the market. A single prescription may send a patient far beyond the \$5100 point leaving taxpayers to cover the cost and Part D plans with little incentive to negotiate for lower prices.

The number of patients reaching this level with a single prescription has skyrocketed, from 33,000 in 2010 to 360,000 patients in 2016.

**“1 Big Thing: Medicare’s Skyrocketing Specialty Drug Spending,”** Axios, Caitlin Owens, May 1, 2019: <https://www.axios.com/medicares-specialty-drug-spending-costs-97b01b97-bc50-476c-8171-aa3533096cec.html>

**“Phases of Part D Coverage,”** Medicare Interactive, Medicare Rights Center, n.d.: <https://www.medicareinteractive.org/get-answers/medicare-prescription-drug-coverage-part-d/medicare-part-d-costs/phases-of-part-d-coverage>

**“Report to Congress: Medicare Payment Policy,”** MedPAC, March 2019: [http://medpac.gov/docs/default-source/reports/mar19\\_medpac\\_entirereport\\_sec.pdf?sfvrsn=0](http://medpac.gov/docs/default-source/reports/mar19_medpac_entirereport_sec.pdf?sfvrsn=0)

Presented daily by Twila Brase, President, Citizens' Council for Health Freedom.

*The Health Freedom Minute is now heard in 47 states:  
Mornings M-Th at AM1280 (The Patriot) in MN and 91.5 AM WHKC (FreedomFM) in OH,  
afternoons on American Family Radio, and daily on the CSN network  
and Bott Radio Network.*