
Repealing 'Obamacare' Would Bring Back 'Donut Hole'—EBRI

By Editor Test *Wed, Aug 31, 2011*

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New modeling by the nonpartisan Employee Benefit Research Institute (EBRI) finds that Medicare beneficiaries with high levels of prescription drug use would have to save 30–40 percent more than they currently are to pay for higher drug costs if President Obama's health reform law is repealed.

Medicare beneficiaries with median prescription drug costs would not see any change in their savings targets, EBRI's analysis finds.

EBRI takes no position on whether or not the law should be repealed; rather, its analysis is designed to measure which groups would be affected and provide estimates of additional savings needed by those who would be affected if it was.

Repeal of the Patient Protection and Affordable Care Act (PPACA) would mean a return of the so-called "donut hole" coverage gap for Medicare prescription drug coverage (Medicare Part D), which PPACA reduces between now and 2020. The result would increase out-of-pocket costs for the highest prescription drug users and thus the savings needed to cover their health care expenses in retirement.

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