

More drug providers enter Medicare market

2 October 2006

Insurers were allowed to begin advertising their plans for Medicare prescription drug coverage Sunday, even as new providers were poised to enter the market.

The number of companies offering prescription drug plans will increase from nine to 17, The Wall Street Journal said, and the plans most likely will include increased coverage and lower deductibles.

Medicare told the Journal that average premiums will hold at about \$24 per month, although about 80 percent of U.S. seniors will have the opportunity to change to a plan with a premium that is lower than what they now pay.

"As a result of robust competition and smart choices by seniors, plans are adding drugs, removing options that were not popular and providing more options with enhanced coverage," said Mark McClellan, administrator the Centers for Medicare and Medicaid Services.

No one, however, is required to change current drug plans.

The newspaper said it was unlikely the addition of new providers would do much to change the Medicare market, which is dominated by the nation's 10 largest insurance companies.

Copyright 2006 by United Press International

APA citation: More drug providers enter Medicare market (2006, October 2) retrieved 13 August 2022 from <https://medicalxpress.com/news/2006-10-drug-medicare.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.