
Table 2. Information on CBO's Cost Estimate of the Conference Agreement for H.R. 1

	CY 2006	CY 2013
PART D PROVISIONS		
Average Total Drug Spending for Part D Participants	\$3,167	\$5,425
Average Cost of Standard Drug Benefit per Participant, Gross ^{1/}	\$1,610	\$2,701
Average Cost of Standard Drug Benefit per Participant, Net of Premiums ^{1/}	\$1,192	\$2,009
Average Cost-Sharing Covered for Participants in Low-Income Subsidy	\$1,400	\$2,500
Marketing, Member Acquisition and Retention, Risk Premium and Related Administrative Costs as a Share of Covered Benefits	11%	6%
Share of Participants in Reduced-Risk or "Fallback" Drug Plans	18%	5%
Gross Drug Savings for Previously Uninsured Individuals (also referred to as the "Cost Management Factor" (CMF))		
Average for Drug Plans Bearing Full Statutory Risk Levels	20%	25%
Average for Reduced-Risk and "Fallback" Drug Plans	12.5%	12.5%
PART B PROVISIONS		
Part B Deductible	\$115	\$166
Beneficiaries Subject to the Income-Related Part B Premium		
Number of Beneficiaries (Millions) ^{2/}	1.2	2.8
As a Share of Part B Enrollees ^{2/}	3%	6%

Source: Congressional Budget Office

Note: For background on the concepts used here, see CBO cost estimate for H.R. 1 and S. 1 (July 22, 2003).

1. Average costs exclude premium and cost-sharing subsidies for certain low-income beneficiaries. Figures also exclude beneficiaries with employer-sponsored coverage whose former employers receive the alternative subsidy.
 2. The income-related premium would begin in 2007; figures in the first column are for 2007.
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