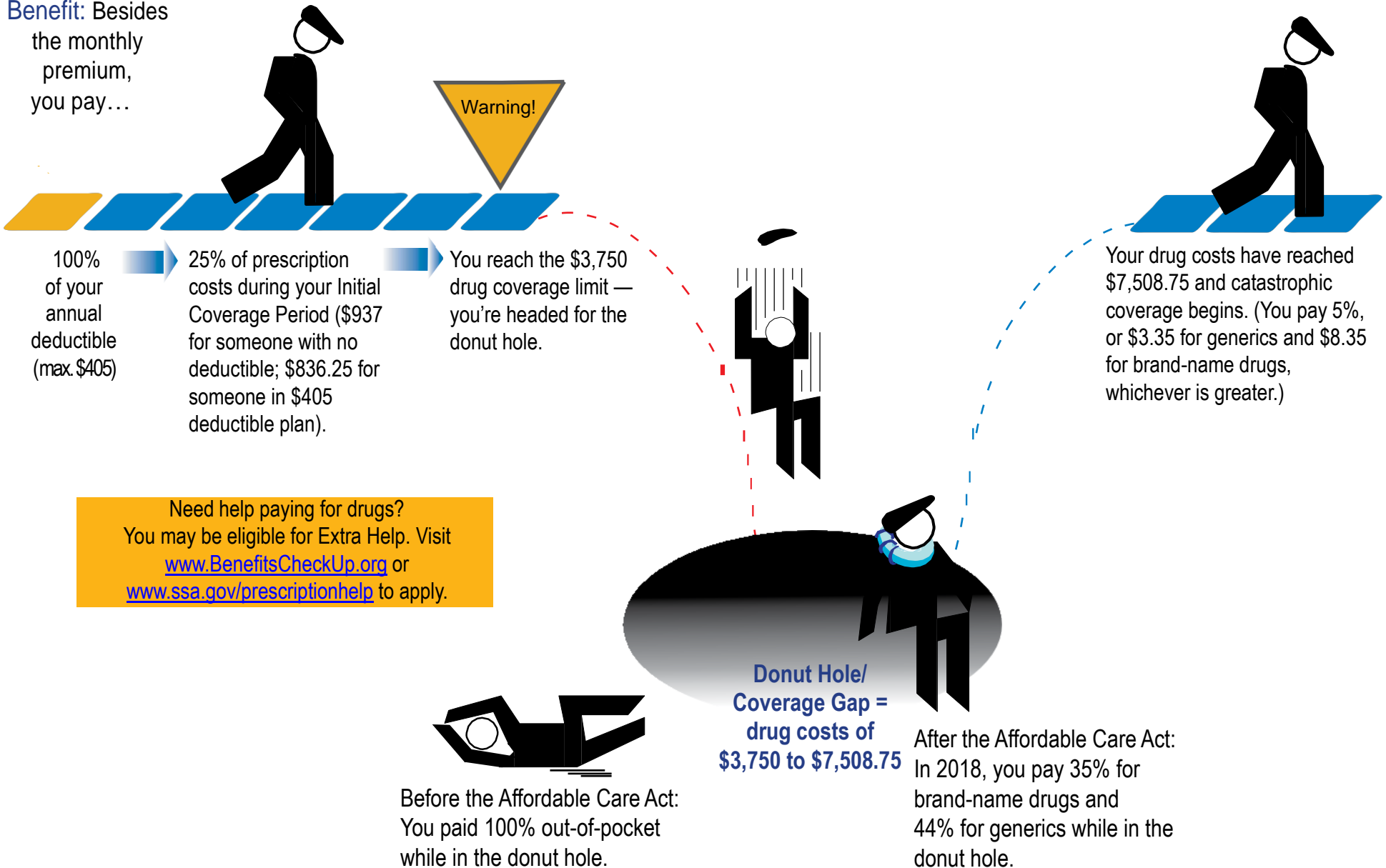


# MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN 2018

## Medicare's Basic

**Benefit:** Besides the monthly premium, you pay...



## 2018 Part D Standard Plan Cost-Sharing\*

Part D Benefit Cost Periods	Costs and Who Pays	Beneficiary Pays (TrOOP)	Plan Pays	Total Amount Spent on Plan-Covered Drugs
<b>Initial Deductible</b>	Beneficiary pays 100%	Up to \$405	\$0	<b>\$405</b> (Amount spent on deductible, before ICP begins)
<b>Initial Coverage Period (ICP)</b>	Costs of covered drugs are shared: 25% by beneficiary, 75% by plan.	Up to \$937.50* *maximum an individual would pay if in plan with no deductible	\$2,812.50	<b>\$3,750</b> (Amount spent during ICP, including applicable deductible, before Coverage Gap begins)
<b>Coverage Gap (“Donut Hole”)</b>	<p><b>Discounts in 2018:</b> Costs of <i>plan-covered</i> drugs are shared:</p> <ul style="list-style-type: none"> <li>Beneficiary pays 44% for <b>generic</b> drugs, 35% for <b>brand-name</b> drugs, plus 45% of the pharmacy dispensing fee (approx. \$1-\$3).</li> <li>Plan pays 56% for <b>generic</b> drugs and 15% for <b>brand-name</b> drugs.</li> <li>Drug manufacturer provides 50% discount on <b>brand-name</b> drugs.</li> </ul> <p><b>Note about True Out-of-Pocket (TrOOP) costs:</b> The total amount spent in the Coverage Gap (up to <b>\$3,758.75</b>) includes:</p> <ul style="list-style-type: none"> <li>The drug costs paid by the beneficiary, <b>and</b></li> <li>The 50% discount on <b>brand-name</b> drugs provided by the drug manufacturer.</li> </ul> <p><u>Payments made by the plan</u> during the Coverage Gap (56% on <b>generics</b>, 15% on <b>brand-name</b> drugs) do <u>not</u> count toward TrOOP.</p>			<p>Coverage Gap begins once beneficiary reaches the Initial Coverage Limit.</p> <p><b>\$3,750</b> - Initial Coverage Limit (Total amount spent on any initial deductible and during ICP).</p> <p><b>Up to \$3,758.75</b> (Total amount spent during Coverage Gap)</p> <p><b>\$7,508.75</b> (Total amount spent during ICP and Coverage Gap, before Catastrophic Benefit Period begins)</p>
<b>Catastrophic Benefit Period</b>	Costs of covered drugs are shared:  Beneficiary pays reduced copay/coinsurance; plan pays the difference.	Greater of:  5% coinsurance <b>OR</b> \$3.35 copay for generic, \$8.35 copay for brand or non-preferred	Any remaining portion of the negotiated drug price.	Beneficiary will remain in the Catastrophic Benefit Period through December 31, 2018.  Part D benefit will reset on January 1, 2019, starting again with a deductible.

\*Most Part D plans are not standard plans. This means calculating TrOOP costs during the initial deductible and ICP varies by plan.

Source: 2018 Call Letter (pg. 44), at: <https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Advance2018.pdf>