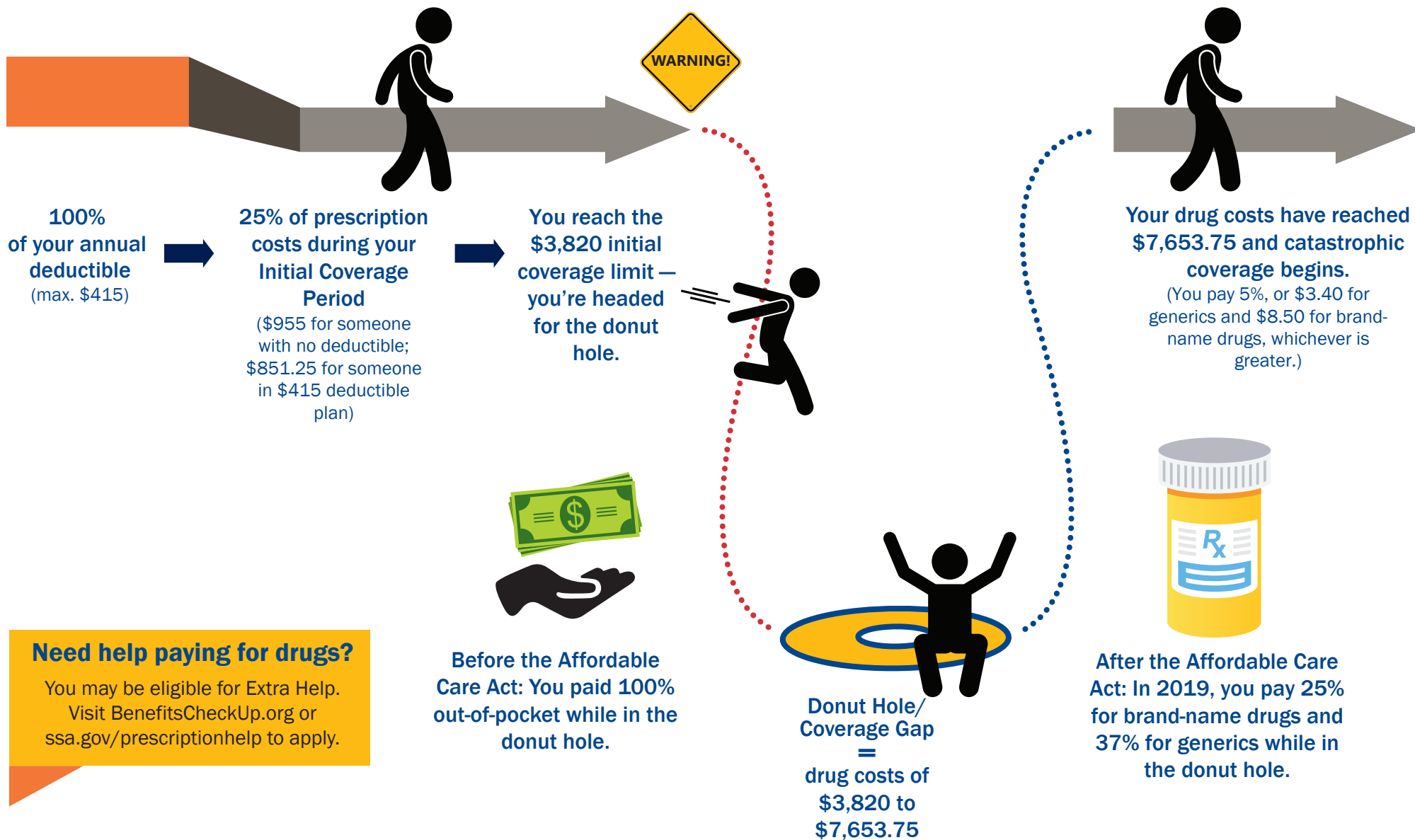


# MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN 2019

**Medicare's Basic Benefit:** Besides the monthly premium, you pay ...



## 2019 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 \$415	\$0	<b>\$415</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 \$955* *maximum an individual would pay if in plan with no deductible	\$2,865	<b>\$3,820</b> (Amount spent during ICP, including applicable deductible, before Coverage Gap begins)
<b>Coverage Gap (“Donut Hole”)</b>	<p><b>Discounts in 2019:</b> Costs of <i>plan-covered</i> drugs are shared:</p> <ul style="list-style-type: none"> <li>Beneficiary pays 37% for <b>generic</b> drugs, 25% for <b>brand-name</b> drugs, plus a small portion of the pharmacy dispensing fee (approx. \$1-\$3).</li> <li>Plan pays 63% for <b>generic</b> drugs and 5% for <b>brand-name</b> drugs.</li> <li>Drug manufacturer provides 70% 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>\$3,833.75</b>) includes:</p> <ul style="list-style-type: none"> <li>The drug costs paid by the beneficiary, <b>and</b></li> <li>The 70% 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 (63% on <b>generics</b>, 5% 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>\$3,820</b> - Initial Coverage Limit (Total amount spent on any initial deductible and during ICP).</p> <p><b>Up to \$3,833.75</b> (Total amount spent during Coverage Gap)</p> <p><b>\$7,653.75</b> (Total amount spent during ICP and Coverage Gap, before Catastrophic Benefit Period begins)</p>
<b>Catastrophic Benefit Period</b>	<p>Costs of covered drugs are shared:</p> <p>Beneficiary pays reduced copay/coinsurance; plan pays the difference.</p>	<p>Greater of:</p> <p>5% coinsurance <b>OR</b> \$3.40 copay for generic, \$8.50 copay for brand or non-preferred</p>	<p>Any remaining portion of the negotiated drug price.</p>	<p>Beneficiary will remain in the Catastrophic Benefit Period through December 31, 2019.</p> <p>Part D benefit will reset on January 1, 2020, starting again with a deductible.</p>

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

Source: 2019 Call Letter (pg. 67), at: <https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Announcement2019.pdf>