

Understanding Part D coverage phases in 2023

PLEASE NOTE: Not every drug plan member will go through all of these phases of coverage.

1

DEDUCTIBLE:

Our Medicare Advantage members do not have a Part D deductible, so you will start at the Initial Coverage phase.

IN THE INITIAL COVERAGE PHASE:



2

INITIAL COVERAGE:

In this phase, you pay a copay or coinsurance each time you fill a prescription.

3

THE COVERAGE GAP OR "DONUT HOLE":

After the total drug cost (paid by you and the plan) reaches **\$4,660**, you enter the **coverage gap phase**.



FACT:

In order to control costs, Medicare requires many Medicare Advantage plans to include a coverage gap or "donut hole" phase.

COVERAGE GAP

You pay **25%** of the plan's cost for covered brand-name drugs and **25%** of the plan's cost for covered generic drugs.

IN THE COVERAGE GAP PHASE:

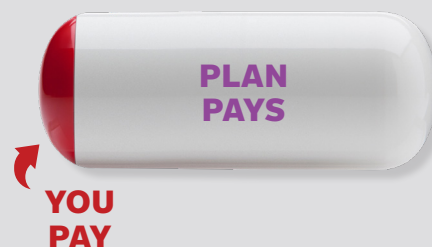


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CATASTROPHIC COVERAGE LIMIT:

In the event that your drug costs become very high during any given year, catastrophic coverage is when your plan pays the majority of your prescription drug costs. You enter this phase when your 2023 true out-of-pocket costs (also known as TrOOP) reach **\$7,400**.

IN THE CATASTROPHIC COVERAGE PHASE:



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