

# 2022 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 \$480	\$0	<b>\$480</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 \$1,107.50* *maximum an individual would pay if in plan with no deductible	\$3,322.50	<b>\$4,430</b> (Amount spent during ICP, including applicable deductible, before Coverage Gap begins)
<b>Former Coverage Gap (“donut hole”)</b>	<p><b>While the Part D coverage gap (“donut hole”) officially closed in 2020, that does not mean beneficiaries don’t have to share a portion of costs after the ICP:</b></p> <ul style="list-style-type: none"> <li>The beneficiary will continue to pay 25% for both <b>generic</b> drugs and <b>brand-name</b> drugs, plus a small portion of the pharmacy dispensing fee (approx. \$1-\$3).</li> <li>The plan pays 75% of the cost of <b>generic</b> drugs and 5% for <b>brand-name</b> drugs.</li> <li>The drug manufacturer provides a 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 this period (up to <b>\$5,582.50</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 this period (75% on <b>generics</b>, 5% on <b>brand-name</b> drugs) do <u>not</u> count toward TrOOP.</p>			<p><b>Up to \$5,582.50</b> (Total amount spent during the period between the end of the ICP and prior to the Catastrophic Benefit Period)</p> <p><b>\$10,690.20</b> (Total amount spent during both the ICP and this period, before Catastrophic Benefit Period begins)</p>
<b>Catastrophic Benefit Period</b>	When an enrollee’s total out-of-pocket spending reaches <b>\$7,050</b> , they hit the catastrophic benefits period, and costs of covered drugs are shared. Beneficiary pays reduced copay/coinsurance; plan pays the difference.	Greater of:  5% coinsurance <b>OR</b> \$3.95 copay for generic, \$9.85 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, 2022.  Part D benefit will reset on January 1, 2023, 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: 2022 Call Letter (pp. 75-83) at: <https://www.cms.gov/files/document/2022-announcement.pdf>