



The True Out-of-Pocket Costs of Medicare Part D

2022

DEDUCTIBLE STAGE

You are responsible for 100% of your prescription drug costs until your deductible* is met.

**Your plan may have an annual deductible of no more than \$480.*

Some plans carry a zero-dollar deductible.

In some plans the deductible may not apply to certain low cost or generic drugs.

INITIAL COVERAGE

You pay a copay or coinsurance. Your Part D plan pays the rest for prescription drugs included on your plan's formulary, or list of covered medications.

THE COVERAGE GAP

After you and your plan have together spent \$4,430 on prescription drugs, then you enter the "coverage gap." Now you pay 25% of the cost for both generic and brand-name drugs, plus a small pharmacy dispensing fee of about \$1-\$3.

CATASTROPHIC COVERAGE

After your total out-of-pocket expenses on prescription drugs plus any discounts you received on brand-name drugs while in the coverage gap reach \$7,050, then you pay a small copay or coinsurance through the end of the year.

PLAN YEAR RESTARTS

No matter what, everything resets on January 1, and you return to the deductible stage at the beginning of the next year.

