



NATIONAL MEDICARE TRAINING PROGRAM



PART D BENEFIT PARAMETERS

Part D Benefit Parameters	2007	2008	2009	2010	2011	2012	2013
Standard Benefit Design Parameters							
Deductible	\$265.00	\$275.00	\$295.00	\$310.00	\$310.00	\$320.00	\$325.00
Initial Coverage Limit	\$2,400.00	\$2,510.00	\$2,700.00	\$2,830.00	\$2,840.00	\$2,930.00	\$2,970.00
Out-of-Pocket Threshold	\$3,850.00	\$4,050.00	\$4,350.00	\$4,550.00	\$4,550.00	\$4,700.00	\$4,750.00
Total Covered Part D Drug Spend at OOP Threshold	\$5,451.25	\$5,726.25	\$6,153.75	\$6,356.25	\$6,483.72	\$6,657.50	\$6,954.50
Minimum Cost-sharing in Catastrophic Coverage							
Generic/Preferred Multi-source Drug	\$2.15	\$2.25	\$2.40	\$2.50	\$2.50	\$2.60	\$2.65
Other	\$5.35	\$5.60	\$6.00	\$6.30	\$6.30	\$6.50	\$6.60
Part D Full Benefit Dual Eligible Parameters							
Copayments for Institutionalized Beneficiaries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Copayments for People with Home and Community-based Services	N/A	N/A	N/A	N/A	N/A	\$0.00	\$0.00
Maximum Copayments for Non-institutionalized Beneficiaries							
Up to or at 100% FPL							
Up to Out-of-Pocket Threshold							
Generic/Preferred Multi-source Drug	\$1.00	\$1.05	\$1.10	\$1.10	\$1.10	\$1.10	\$1.15
Other	\$3.10	\$3.10	\$3.20	\$3.30	\$3.30	\$3.30	\$3.50
Above Out-of-Pocket Threshold	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Over 100% FPL							
Up to Out-of-Pocket Threshold							
Generic/Preferred Multi-source Drug	\$2.15	\$2.25	\$2.40	\$2.50	\$2.50	\$2.60	\$2.65
Others	\$5.35	\$5.60	\$6.00	\$6.30	\$6.30	\$6.50	\$6.60
Above Out-of-Pocket Threshold	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Part D Non-Full Benefit Dual Eligible Full Subsidy Parameters							
See Resources Table							
Maximum Copayments up to Out-of-Pocket Threshold							
Generic/Preferred Multi-source Drug	\$2.15	\$2.25	\$2.40	\$2.50	\$2.50	\$2.60	\$2.65
Other	\$5.35	\$5.60	\$6.00	\$6.30	\$6.30	\$6.50	\$6.60
Above Out-of-Pocket Threshold	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
See Resources Table							
Deductible	\$53.00	\$56.00	\$60.00	\$63.00	\$63.00	\$65.00	\$66.00
Coinsurance up to Out-of-Pocket Threshold	15%	15%	15%	15%	15%	15%	15%
Maximum Copayments above Out-of-Pocket Threshold							
Generic/Preferred Multi-source Drug	\$2.15	\$2.25	\$2.40	\$2.50	\$2.50	\$2.60	\$2.65
Others	\$5.35	\$5.60	\$6.00	\$6.30	\$6.30	\$6.50	\$6.60

Part D Benefit Parameters	2007	2008	2009	2010	2011	2012	2013
Part D Non-Full Benefit Dual Eligible Partial Subsidy Parameters							
Deductible	\$53.00	\$56.00	\$60.00	\$63.00	\$63.00	\$65.00	\$66.00
Coinsurance up to Out-of-Pocket Threshold	15%	15%	15%	15%	15%	15%	15%
Maximum Copyments above Out-of-Pocket Threshold							
Generic/Preferred Multi-source Drug	\$2.15	\$2.25	\$2.40	\$2.50	\$2.50	\$2.60	\$2.65
Other	\$5.35	\$5.60	\$6.00	\$6.30	\$6.30	\$6.50	\$6.60
Part D Full Benefit Dual Eligible Parameters							
Copayments for Institutionalized Beneficiaries	\$265.00	\$275.00	\$295.00	\$310.00	\$310.00	\$320.00	\$325.00
Above Out-of-Pocket Threshold	\$5,350.00	\$5,600.00	\$6,000.00	\$6,300.00	\$6,300.00	\$6,500.00	??????

Catastrophic Coverage

Once you reach your plan's out-of-pocket limit during the coverage gap, you automatically get "catastrophic coverage." Catastrophic coverage assures that once you have spent up to your plan's out-of-pocket limit for covered drugs, you only pay a small coinsurance amount or a copayment for the rest of the year.

Coinsurance

An amount you may be required to pay as your share of the cost for services after you pay any deductibles. Coinsurance is usually a percentage (for example, 20%). In a Medicare Prescription Drug Plan or Medicare Health Plan, the coinsurance will vary depending on how much you have spent.

Coverage Gap

Medicare drug plans may have a "coverage gap," which is sometimes called the "donut hole." This means that after you and your plan have spent a certain amount of money for covered drugs, you have to pay all costs out-of-pocket for your drugs (up to a limit). Your yearly deductible, coinsurance or copayments, and what you pay in the coverage gap all count toward this out-of-pocket limit. The limit doesn't include the drug plan's premium.

Note: If you get extra help paying your drug costs, you won't have a coverage gap. However, you will probably have to pay a small copayment or coinsurance amount.

Deductible

The amount you must pay for health care or prescriptions, before Original Medicare, your Medicare drug plan, your Medicare Health Plan, or your other insurance begins to pay. For example, in Original Medicare, you pay a new deductible for each benefit period for Part A, and each year for Part B. These amounts can change every year.

Full Benefit Dual Eligible

People who qualify for both Medicare and Medicaid.

Initial Coverage Limit

Once you have met your yearly deductible, and until you reach the plan's out-of-pocket maximum, you pay a copayment (a set amount you pay) or coinsurance (a percentage of the total cost) for each covered drug.

Out-of-Pocket Threshold

The health or prescription drug costs that you must pay on your own because they are not covered by Medicare or other insurance. The expenses that count toward a person's Medicare drug plan out-of-pocket threshold of \$4,700 (for 2012).