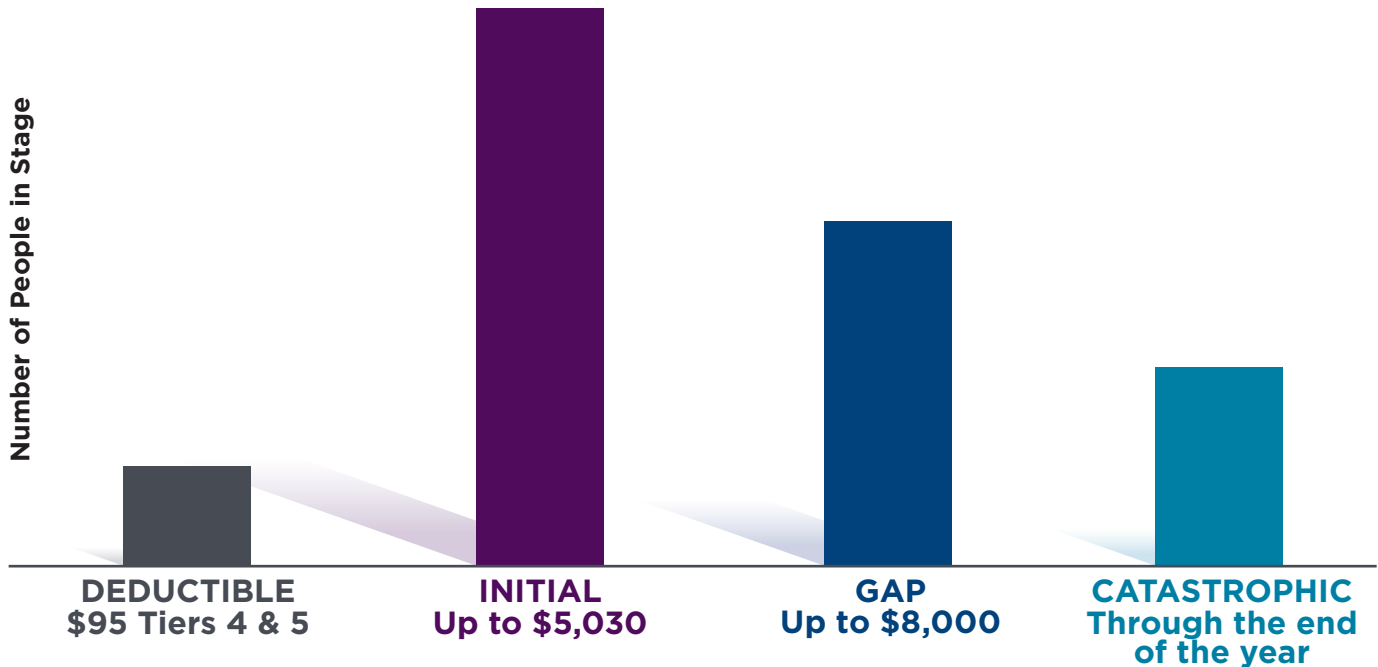


# Understanding Drug Payment Stages



## Annual Deductible Stage

During this stage, **you pay the full cost** of your Tier 4 Non-Preferred Drug and Tier 5 Specialty Drug. You stay in this stage until you have paid \$95 for your Tier 4 Non-Preferred Drug and Tier 5 Specialty Drug deductible. During this stage, you pay \$0 for a one month supply of each Tier 6 insulin product and no more than \$35 for each nonformulary insulin product.

## Initial Coverage Stage

During this stage, you pay a flat fee (copay) or a percentage of a drug's total cost (coinsurance) for each prescription you fill. During this stage, you pay \$0 for a one month supply of each Tier 6 insulin product and no more than \$35 for each nonformulary insulin product. **The plan pays the rest until your total drug costs (paid by you and the plan) reach \$5,030 (2024).**

## Coverage Gap Stage

During this stage, you pay 25 percent of the total cost for most brand name and generic drugs PLUS a portion of the dispensing fee. Tier 1 & Tier 6 generics are covered at a \$0 copay. In addition, you pay \$0 for a one month supply of each Tier 6 insulin product and no more than \$35 for each nonformulary insulin product. **Once your out-of-pocket costs reach \$8,000 (2024), you move to catastrophic coverage.**

## Catastrophic Coverage Stage

In this stage, the plan pays the full cost for your covered Part D drugs. You pay nothing. (See the EOC for details). **The plan and Medicare pay the rest until the end of the calendar year.**