

UNDERSTANDING THE MEDICARE “DONUT HOLE”

As a member of a Medicare Part D prescription drug plan, you may encounter up to four stages:

1 | Deductible Stage **2 | Initial Coverage Stage** **3 | Coverage Gap Stage** **4 | Catastrophic Coverage Stage**

The Coverage Gap Stage, also known as the “Donut Hole,” is the most complex. Below, we’ll take a look at what happens in each stage and clear up any confusion you may have about the “Donut Hole.”

GRAPHIC KEY:

What You Pay



What Tufts Medicare Preferred HMO Pays



What the Drug Manufacturer Pays



1 | DEDUCTIBLE STAGE: YOUR PLAN MAY HAVE A PRESCRIPTION DRUG DEDUCTIBLE

Members of **Tufts Medicare Preferred HMO Basic Rx** and **HMO Saver Rx** plans begin in the Deductible stage as of January 1, 2015 (All other plans do not have a prescription drug deductible).

If you are a member of one of these plans, you pay a deductible for your Tier 3, Tier 4, and/or Tier 5 drugs. Look in your plan’s Evidence of Coverage (EOC) booklet for complete details.

Members of **Tufts Medicare Preferred HMO Basic Rx** and **HMO Saver Rx** plans will remain in the Deductible stage until they have paid their prescription drug deductible.

2 | INITIAL COVERAGE STAGE: BEGINS JANUARY 1ST OF EACH YEAR*

You remain in the Initial Coverage Stage until the **total** cost of your drugs reaches **\$2,960** (the initial coverage limit).



+



=

\$2,960

You pay your copayments

We pay the remainder of the cost

*Members of Tufts Medicare Preferred HMO Basic Rx and HMO Saver Rx plans are required to pay their Part D deductible for Tier 3, Tier 4, and/or Tier 5 drugs before entering the Initial Coverage Stage. Look in your Evidence of Coverage (EOC) booklet for details.

3 | “DONUT HOLE” STAGE: BEGINS ONCE YOU REACH THE INITIAL COVERAGE LIMIT OF \$2,960

You remain in the “Donut Hole” stage until the **total** amount you and the drug manufacturer pay during the calendar year reaches **\$4,700**.



+



=

\$4,700

Your share

Drug manufacturer’s share

How much is your share?

You pay 45% of the total cost of brand name drugs and 65% of the total cost of generic drugs. (HMO Prime Rx Plus plan members pay the Tier 1 copay for Tier 1 generic drugs and the Tier 2 copay for Tier 2 generic drugs.)

4 | CATASTROPHIC COVERAGE STAGE: BEGINS ONCE YOUR TOTAL OUT-OF-POCKET COSTS (INCLUDING ANY SHARE PAID BY THE DRUG MANUFACTURER) REACH \$4,700

You remain in the Catastrophic Coverage Stage until January 1 of the next year.



=

You pay the greater of:

- 5% of the total cost of the drug;
- \$2.65 for generic drugs or;
- \$6.60 for brand name drugs

Your share

For more information call Customer Relations at 1-800-701-9000 (TTY 1-800-208-9562) Mon - Fri, 8:00 a.m. - 8:00 p.m. (From Oct. 1 - Feb. 14, representatives are available 7 days a week, 8:00 a.m. - 8:00 p.m.) After hours and on holidays, please leave a message and a representative will return your call the next business day.

Please note: If you receive your benefits from a current or former employer, this information may not apply to you. Please contact your benefits administrator or Customer Relations with any questions.

The amounts above are for the 2015 calendar year only. Amounts may change on January 1 of each year. If you have questions about this information, contact Customer Relations.

Tufts Health Plan Medicare Preferred is an HMO plan with a Medicare contract.

Enrollment in Tufts Health Plan Medicare Preferred depends on contract renewal. The benefit information provided is a brief summary, not a complete description of benefits. For more information contact the plan.

Limitations, copayments, and restrictions may apply. Benefits, formulary, pharmacy network, and/or co-payments/co-insurance may change on January 1 of each year.