

CMS Part D 2008 Standard Benefit Model Plan Details

Here are the highlights for the CMS defined Standard Benefit Plans for 2006, 2007, and 2008. This "Standard Benefit Plan" is the minimum allowable plan to be offered. The details are shown in the chart following these highlights.

- **Initial Deductible:**
from \$265 in 2007 to \$275 in 2008
- **Initial Coverage Limit:**
from \$2,400 in 2007 to \$ 2,510 in 2008
- **Out-of-Pocket Threshold:**
from \$3,850 in 2007 to \$4,050 in 2008
- **Minimum Cost-sharing in the Catastrophic Coverage Portion of the Benefit:**
from \$2.15 for generic or preferred drug that is a multi-source drug and \$5.35 for all other drugs in 2007 to \$2.25 for generics and \$5.60 for other drugs in 2008
- **Maximum Co-payments below the Out-of-Pocket Threshold for certain Low Income Full Subsidy Eligible Enrollees:**
from \$2.15 for generic or preferred drug that is a multi-source drug and \$5.35 for all other drugs in 2007 to \$2.25 for generics and \$5.60 for other drugs in 2008

Medicare Part D Benefit Parameters for Defined Standard Benefit 2006 through 2008 Comparison			
Part D Standard Benefit Design Parameters:	2006	2007	2008
Deductible - (after the Deductible is met, Beneficiary pays 25% of covered costs up to total prescription costs meeting the Initial Coverage Limit.	\$250	\$265	\$275
Initial Coverage Limit - Coverage Gap (Donut Hole) begins at this point. (The Beneficiary pays 100% of their prescription costs up to the Out-of-Pocket Threshold)	\$2,250	\$2,400	\$2,510
Total Covered Part D Drug Out-of-Pocket Spending including the Coverage Gap - Catastrophic Coverage start after this point.	\$5,100.00	\$5,451.25	\$5,726.25
Out-of-Pocket Threshold - This is the Total Out-of-Pocket Costs including the Donut Hole. 2008 Example:	\$3,600	\$3,850	\$4,050
\$275 (Deductible)	\$ 250.00	\$ 265.00	\$ 275.00
+ ((\$2,510 - \$275) * 25%) (Initial Coverage)	\$ 500.00	\$ 533.75	\$ 558.75
+ ((\$5,726.25-\$2,510) * 100%) (Donut Hole)	<u>\$2850.00</u>	<u>\$3051.25</u>	<u>\$3216.25</u>

= \$4,050 (Maximum Out-Of-Pocket Cost prior to Catastrophic Coverage - excluding plan premium)	\$3600.00	\$3850.00	\$4050.00
Catastrophic Coverage Benefit:			
Generic/Preferred Multi-Source Drug	\$2.00	\$2.15	\$2.25
Other Drugs	\$5.00	\$5.35	\$5.60
Part D Full Benefit Dual Eligible Parameters:	2006	2007	2008
Copayments for Institutionalized Beneficiaries	\$0.00	\$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	\$1.00	\$1.05
Other	\$3.00	\$3.10	\$3.10
Above Out-of-Pocket Threshold	\$0.00	\$0.00	\$0.00
Over 100% FPL:			
Up to Out-of-Pocket Threshold			
Generic/Preferred Multi-Source Drug	\$2.00	\$2.15	\$2.25
Other	\$5.00	\$5.35	\$5.60
Above Out-of-Pocket Threshold	\$0.00	\$0.00	\$0.00
Part D Non-Full Benefit Dual Eligible Full Subsidy Parameters:	2006	2007	2008
Resources ≤ \$6,120 (individuals) or ≤ \$9,190 (couples)			
Maximum Copayments up to Out-of-Pocket Threshold			
Generic/Preferred Multi-Source Drug	\$2.00	\$2.15	\$2.25
Other	\$5.00	\$5.35	\$5.60
Maximum Copay above Out-of-Pocket Threshold	\$0.00	\$0.00	\$0.00
Resources between \$6,120-\$20,210 (individuals) or \$9,190-\$20,410 (couples)			
Deductible	\$50.00	\$53.00	\$56.00
Coinsurance up to Out-of-Pocket Threshold	15%	15%	15%
Maximum Copayments above Out-of-Pocket Threshold			
Generic/Preferred Multi-Source Drug	\$2.00	\$2.15	\$2.25
Other	\$5.00	\$5.35	\$5.60
Part D Non-Full Benefit Dual Eligible Partial Subsidy Parameters:	2006	2007	2008
Deductible	\$50.00	\$53.00	\$56.00

Coinsurance up to Out-of-Pocket Threshold	15%	15%	15%
Maximum Copayments above Out-of-Pocket Threshold			
Generic/Preferred Multi-Source Drug	\$2.00	\$2.15	\$2.25
Other	\$5.00	\$5.35	\$5.60

:: Use our [2008 Medicare Part D Plan Cost Calculator to Estimate Your Costs!](#)

Important Medicare Part D Dates for 2007-2008

- **October 1, 2007:**
Medicare Part D Prescription Drug plan Marketing Activities can begin - At this time you will be able to once again gather information and evaluate the various Part D plan alternatives.
- Please note, no enrollments may be accepted before November 15, 2007.
- **November 15 to December 31, 2007:**
Annual Coordinated Election Period - Here is your chance to join a Medicare Part D plan for 2008. If you already have a Medicare Part D plan, this is your time to look back over 2007 and make another decision for your 2008 coverage. Should you stay with your existing coverage or make a change? Here is your opportunity to decide. If you make no decision, you will remain in the same plan as you elected in 2007. There is no enrollment required to renew your present coverage. Don't forget 2007! People who waited until the end of December also waited into January for the arrival of their Welcome Information. Bottom Line: Don't wait until the end of December to make your enrollment decision. (If you do not enroll during this period, your next chance for coverage is January 2009.)
- **January 1, 2008:**
Your 2008 Medicare Part D plan becomes effective and you will be able to begin using your Part D benefits.
- **January 1 to March 31, 2008:**
Coordinating Special Enrollment Period (or SEP) - This special period is available for those people who enrolled into a Medicare Advantage Plan with Prescription Drug coverage (MA-PDs) and now wish to disenroll back to original Medicare coverage and a Prescription Drug Plan. As noted by CMS: "PDPs must accept enrollments for individuals enrolled in a MA-PD plan and who choose to elect Original Medicare during the MA OEP that occurs from January 1, 2008 through March 31, 2008. Since MA rules require these individuals to maintain prescription drug coverage, they MUST enroll in a PDP to accompany Original Medicare. This SEP allows MA-PD enrollees to enroll in a PDP and is limited to 1 enrollment."