Figure 2. Medicare Part D Standard Coverage Benefit Redesign

Manufacturer pays 20%
Enrollee pays 25%
Plan pays 60%
Medicare pays 20***

Plan pays 75%
Enrollee pays 100%

CATASTROPHIC THRESHOLD
TOTAL OUT OF POCKET DRUG COSTS $3,100**

DEDUCTIBLE $415*

* $415 is the deductible in 2019. It is indexed to Part D spending growth and will continue to increase annually.
** $3,100 will be the total OOP cost in 2022. It will be indexed to Part D spending growth thereafter.
*** The distribution of payments in the catastrophic phase would be phased in over time. This figure represents the final distribution that will be reached in 2024.