





Medicare Pharmacy Benefit Stages – General Overview

The amount you pay for a medication depends on the benefit stage you have reached. Medicare Pharmacy coverage has four stages. If your plan does not have a deductible you will not have the first stage. Not all customers will reach each stage.

| Annual Deductible | Initial Coverage | Coverage Gap (Donut Hole) | Catastrophic Coverage |
|---|--|---|--|
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| What you pay: Beginning Jan 1 You pay for your medications until you meet the amount of your deductible. You receive Cigna's negotiated price. | What you pay: You pay a copayment or coinsurance. Cigna pays its share. | What you pay: You pay a certain percentage of the Cigna negotiated price for generic and brand name drugs. | What you pay: You pay a small amount, typically not more than 5% of the drug price. Cigna pays its share. |
| When it ends: Once you have met your deductible, your Initial Coverage will begin. | When it ends: When the combined "Total Drug Costs" paid by you and Cigna or other programs like Extra Help, reaches a certain level. | When it ends: When the "Out Of Pocket Costs" paid by you and programs like Extra Help, reaches a certain level. | When it ends: You will remain in this stage until the end of the calendar year on December 31 st . |

Please Note: Not all plans have a deductible.