

Massachusetts Medicare Part D Cost Sharing for 2023

Standard Part D Plan Benefit Design 2023

Annual Deductible and Monthly Premium

- You pay an annual deductible of \$505.
- Your plan sets your monthly premium, but if your 2021 tax reported income exceeds \$97,000 (individual) or \$194,000 (joint filer), you will have to pay a monthly Income Related Monthly Adjustment Amount (IRMAA) of up to \$76.40/month in 2023.



Initial Coverage Period

- Your plan pays 75% and you pay 25% up to the initial coverage limit of \$4,660.



Coverage Gap

- When you and your plan (combined) have paid \$4,660, you enter the “coverage gap.”
- For the total cost of a brand-name drugs, the manufacturer pays 70% to discount the price for you. Then your plan pays 5% of the cost and 75% of the dispensing fee. You pay 25% of the cost of the drug and 25% of the dispensing fees.
- For generic drugs, you’ll pay no more than 25% of the cost of the drug and of the dispensing fee.
- **Prescription Advantage** and the **Health Safety Net** may help you meet the coverage gap.



Catastrophic Coverage

- “Catastrophic coverage” begins when you reach the “out-of-pocket” threshold of \$7,400. That threshold is met through a combination of:
 - Your deductible, coinsurance, and copayments;
 - The discount on brand-name drugs during the coverage gap; and,
 - Your costs during the coverage gap.
- Once you have reached catastrophic coverage, you pay the greater of \$4.15 for generic/preferred drugs and \$10.35 for other covered drugs, or 5%.

Resources and Annual Income Limits to Qualify for Low Income “Extra Help” Subsidies

Lower Resources Level	Higher Resources Level
Resources: \$9,090/individual; \$13,630/married couple	Resources: \$15,160/individual; \$30,240/married couple

Resources do not include \$1,500/person burial allowance. “Married” means married and living together.

100% Federal Poverty Level (FPL)	150% Federal Poverty Level (FPL)
\$14,580/individual; \$19,720/married couple	\$21,870/individual; \$29,580/married couple

For unearned income (such as Social Security), \$20 will be deducted when calculating eligibility for a subsidy. **The FPLs included in this handout are effective as of March 1, 2023.**

2023 Massachusetts Low Income Premium Subsidy Amount: \$36.27

Resource and income limits may not apply if you are a member of a MassHealth program.

What Can Extra Help Do for You?

Full Premium Subsidy, No Deductible, Limited Copayments:

- People who are on MassHealth Buy-In or MassHealth Senior Buy-In
- People on Supplemental Security Income (SSI)
- “Dual Eligible” beneficiaries: people that are enrolled in both Medicare and MassHealth

\$0	\$4.35	\$4.30	\$0 Copay
Deductible	Generic/preferred drugs	Other drugs	Above catastrophic limit

MassHealth charges \$1 for certain covered drugs used for diabetes, high blood pressure, and high cholesterol. For all other covered drugs, MassHealth charges \$3.65. Those on MassHealth & Medicare are charged either the MassHealth or Medicare copayment, whichever is less expensive.

Full Premium Subsidy, No Deductibles, Reduced Copayments:

- Individuals or married couples with incomes less than or equal to 135% of the FPL who meet the lower resources level
- Non-institutionalized individuals “deemed eligible” for Extra Help with incomes over 100% FPL

\$0	\$4.15	\$10.35	\$0
Deductible	Generic/preferred drugs	Other drugs	Above catastrophic limit

Full Premium Subsidy, Reduced Deductibles, Reduced Copayments:

- Individuals or married couples with incomes less than or equal to 135% of FPL who meet the higher resources level

\$104	15%	Greater of \$4.15 or 5% drug cost	Greater of \$10.35 or 5% drug cost
Deductible	Co-insurance to out-of-pocket threshold	Generics/preferred drugs above catastrophic limit	Other drugs above catastrophic limit

Partial Premium Subsidy, Reduced Deductibles, Reduced Copayments:

- Individuals or married couples with income between 136% FPL and 149% FPL
 - Those with incomes from 146-149% FPL will receive a 25% premium subsidy
 - Those with incomes from 141-145% FPL will receive a 50% premium subsidy
 - Those with incomes from 136-140% FPL will receive a 75% premium subsidy

\$104	15%	Greater of \$4.15 or 5% drug cost	Greater of \$10.35 or 5% drug cost
Deductible	Co-insurance to out-of-pocket threshold	Generics/preferred drugs above catastrophic limit	Other drugs above catastrophic limit

Questions? Need Legal Help?

Call the Medicare Advocacy Project to Apply for Free Legal Assistance:

**Greater Boston
Legal Services**
617-603-1700
Serving Essex, Middlesex,
Norfolk, and Suffolk Counties

Community Legal Aid
855-252-5342
Serving Berkshire, Franklin,
Hampden, Hampshire, and
Worcester Counties

**South Coastal Counties Legal
Services**
800-244-8393
Serving Barnstable, Bristol, Dukes,
Nantucket, and Plymouth
Counties