



## 2022/2023 Standard Drug Costs

The table below shows the Part D Benefit Parameters for Defined Standard Benefit, Low-Income Subsidy (LIS), and Retiree Drug Subsidy.

Part D Benefit Parameters	2022	2023
<b>Standard Benefit</b>		
Deductible	\$480	\$505
Initial Coverage Limit	\$4,430	\$4,660
Out-of-Pocket Threshold	\$7,050	\$7,400
Total Covered Part D Spending at Out-of-Pocket Threshold for Non-Applicable Beneficiaries (1)	\$10,012.50	\$10,516.25
Estimated Total Covered Part D Spending for Applicable Beneficiaries (2)	\$10,690.20	\$11,206.28
Minimum Cost-Sharing in Catastrophic Coverage Portion of the Benefit		
Generic/Preferred Multi-Source Drug	\$3.95	\$4.15
Other	\$9.85	\$10.35
<b>Full Subsidy-Full Benefit Dual Eligible (FBDE) Individuals (3)</b>		
Deductible	\$0.00	\$0.00
Copayments for Institutionalized Beneficiaries [category code 3]	\$0.00	\$0.00
Copayments for Beneficiaries Receiving Home and Community-Based Services] [category code 3] (4)	\$0.00	\$0.00
Maximum Copayments for Non-Institutionalized Beneficiaries		
Up to or at 100% FPL [category code 2]		
Up to Out-of-Pocket Threshold		
Generic/Preferred Multi-Source Drug (5)	\$1.35	\$1.45
Other (5)	\$4.00	\$4.30
Above Out-of-Pocket Threshold	\$0.00	\$0.00
Over 100% FPL [category code 1]		
Up to Out-of-Pocket Threshold		
Generic/Preferred Multi-Source Drug	\$3.95	\$4.15
Other	\$9.85	\$10.35
Above Out-of-Pocket Threshold	\$0.00	\$0.00
<b>Full Subsidy-Non-FBDE Individuals (3)</b>		
Applied or eligible for QMB/SLMB/QI or SSI, income at or below 135% FPL and resources ≤ \$9,900 (individuals, 2022) or ≤ \$15,600 (couples, 2022) [category code 1] (6)		
Deductible	\$0.00	\$0.00
Maximum Copayments up to Out-of-Pocket Threshold		
Generic/Preferred Multi-Source Drug	\$3.95	\$4.15
Other	\$9.85	\$10.35
Maximum Copayments above Out-of-Pocket Threshold	\$0.00	\$0.00

<b>Part D Benefit Parameters</b>	<b>2022</b>	<b>2023</b>
<b>Partial Subsidy (3)</b>		
Applied and income below 150% FPL and resources below \$15,510 (individual, 2022) or \$30,950 (couples, 2022) [category code 4] (5)		
Deductible (5)	\$99.00	\$104
Coinsurance up to Out-of-Pocket Threshold	15%	15%
Maximum Copayments above Out-of-Pocket Threshold		
Generic/Preferred Multi-Source Drug	\$3.95	\$4.15
Other	\$9.85	\$10.35
<b>Retiree Drug Subsidy Amounts</b>		
Cost Threshold	\$480	\$505
Cost Limit	\$9,850	\$10,350

- (1) For a beneficiary who is not considered an “applicable beneficiary,” as defined at section 1860D14A(g)(1), and is not eligible for the Coverage Gap Discount Program, this is the amount of total drug spending required to reach the out-of-pocket threshold in the defined standard benefit.
- (2) For a beneficiary who is an “applicable beneficiary,” as defined at section 1860D-14A(g)(1) of the Act, and is eligible for the Medicare Coverage Gap Discount Program, this is the estimated average amount of total drug spending required to reach the out-of-pocket threshold in the defined standard benefit.
- (3) The LIS eligibility categories and corresponding cost-sharing benefits are sometimes referred to using category codes as follows:
  - Category Code 1 – Non-institutionalized FBDE individuals with incomes above 100% of the FPL and full-subsidy-non-FBDE individuals
  - Category Code 2 – Non-institutionalized FBDE individuals with incomes below or up to 100% of the FPL
  - Category Code 3 – FBDE individuals who are institutionalized or would be institutionalized if they were not receiving home and community-based services
  - Category Code 4 – Partial subsidy individuals
- (4) Per section 1860D-14(a)(1)(D)(i) of the Act, full-benefit dual eligible beneficiaries who are receiving home and community-based services qualify for zero cost-sharing if the individuals (or couple) would have been institutionalized otherwise.
- (5) The partial LIS deductible is increased from the unrounded 2022 value of \$98.76. Increases to the maximum copayments for non-institutionalized FBDE individuals with incomes no greater than 100% of the FPL are applied to the unrounded 2022 values of \$1.34 for generic/preferred multi-source drugs and \$4.01 for all other drugs.
- (6) These resource limit figures will be updated for CY 2023. Additionally, these amounts include \$1,500 per person for burial expenses.

**Source:** [Announcement of Calendar Year \(CY\) 2023 Medicare Advantage \(MA\) Capitation Rates and Part C and Part D Payment Policies.](#)