

A Guide to 2023 Medicare Part D Coverage for Specialty Drugs

The 4 Phases of Medicare Part D

LEGEND:  Patient  Medicare Part D Plan  Manufacturer  Government (Medicare)

Phase 1: Deductible Phase^{1,2}

Health plans require patients to pay the entire deductible amount for covered prescription drugs before providing any financial coverage, including for specialty drugs

- A patient's deductible depends on the Medicare Part D plan in which they are enrolled but will not exceed **\$505** in 2023



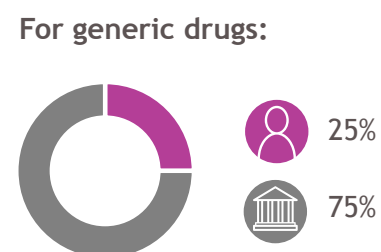
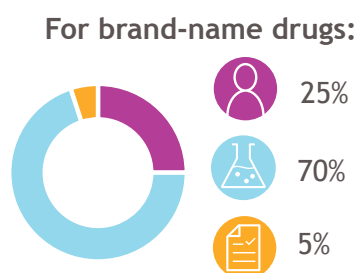
Phase 2: Initial Coverage Phase^{1,2}

Once a patient pays the deductible, they start to pay **25%** of the prescription drug cost, and their Medicare Part D plan pays the remainder. The initial coverage phase ends when the patient and the Medicare plan jointly spend **\$4,660** on prescription drugs, not including the Part D premium, and the patient then moves into the Coverage Gap Phase



Phase 3: Coverage Gap Phase (also called the Donut Hole)^{1,2}

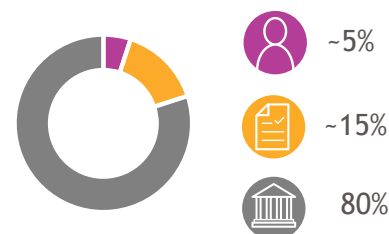
Patients enter the Coverage Gap Phase and continue to pay no more than **25%** of their prescription drug cost. The coverage gap phase ends when the patient and manufacturer jointly spend **\$7,400** on prescription drugs, and the patient then moves into the Catastrophic Coverage Phase



Phase 4: Catastrophic Coverage Phase^{1,2}

Once entering the catastrophic phase, patients will pay **~5%** of their prescription costs for the remainder of the calendar year

- For brand-name drugs, patients will pay **5%** of the prescription's cost or **\$10.35**, whichever is higher
- For generic drugs, patients will pay **5%** of the prescription's cost or **\$4.15**, whichever is higher



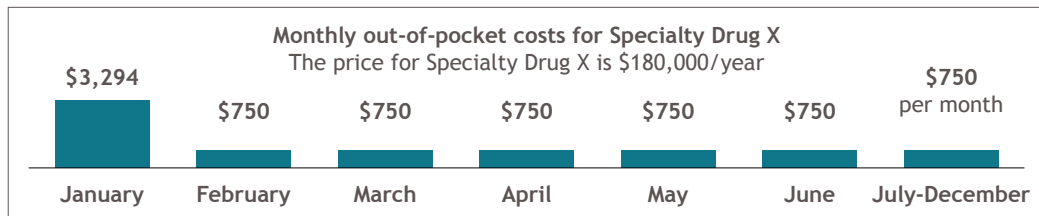
Patient Cost Journey Examples^{1,2}

The cost of a specialty drug, regardless of drug price, goes through 4 phases of Medicare Part D

Note: The following are hypothetical patients and cost calculations. All costs represented in these examples are subject to change based on Individual Part D plan, geography, and costs associated with healthcare facilities. Medicare Part D premiums are not included in the cost analysis

Example 1:

Patient 1 is 75 years old. He is taking a brand-name specialty drug called Drug X. Drug X has a price of \$180,000 a year, which costs \$15,000 a month, but that is not what he actually pays. The example below illustrates what Patient 1 would pay monthly for Drug X.

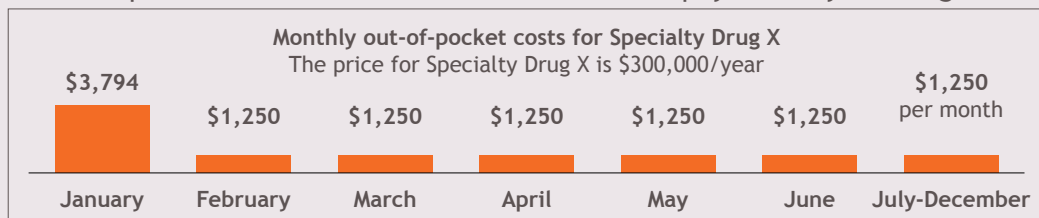


Patient 1's
estimated annual
out-of-pocket cost

\$11,544

Example 2:

Patient 2 is 67 years old. She is taking a brand-name specialty drug called Drug Y. Drug Y has a price of \$300,000 a year, which costs \$25,000 a month, but that is not what she actually pays. The example below illustrates what Patient 2 would pay monthly for Drug Y.



Patient 2's
estimated annual
out-of-pocket cost

\$17,544

Medicare Part D Resources

Explanation of benefits (EOB): Each month, the Medicare Part D plan will mail an EOB to patients. The EOB is not a bill. It informs patients which Part D phase they are currently in, your total out-of-pocket (OOP) payments to date, and other detailed information about your claims

Medicare: For specific billing questions and questions about claims, medical records, or expenses, call **800-MEDICARE (800-633-4227)**

Social Security Extra Help: Patients with low income may be eligible for Extra Help that further reduces their OOP cost. Call **800-772-1213**

For physicians and patients who have chosen a BMS medication:

Do you know about BMS Access Support?

For information about coverage for a prescribed BMS medication, BMS Access Support may be able to help. Patients and their healthcare provider can complete an enrollment form to learn about programs that may be of assistance. Visit our website or contact BMS Access Support® to learn more.



Call Bristol Myers Squibb Access Support® at
1-800-861-0048, 8 AM to 8 PM ET, Monday-Friday



Visit www.BMSAccessSupport.com

The accurate completion of reimbursement- or coverage-related documentation is the responsibility of the healthcare provider and patient. Bristol Myers Squibb and its agents make no guarantee regarding coverage or reimbursement for any service or item.

References: 1. Medicare.gov. Costs for Medicare drug coverage. <https://www.medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage>. Accessed August 31, 2022. 2. Kaiser Family Foundation. An overview of the Medicare Part D prescription drug benefit. <https://www.kff.org/medicare/fact-sheet/an-overview-of-the-medicare-part-d-prescription-drug-benefit/>. Accessed August 31, 2022.