Understanding drug payment stages

**Deductible stage**
During this stage, if your plan has a deductible, you usually pay the full discounted cost up to the deductible amount for drugs listed in tiers 3, 4 and 5 of your formulary. (Drugs in tiers 1 and 2 don’t have a deductible because they generally cost less; your copayment for these drugs will be the same whether you have met the deductible or not.)

Once you reach the deductible amount, you pay a copayment or coinsurance in the initial coverage stage.

**Initial coverage stage**
During this stage, you pay a copayment or coinsurance (your share of the cost) for the discounted price of each prescription you fill until your total drug costs (what you and your plan pay) reach $4,020.

Once you satisfy $4,020, you enter the coverage gap or “donut hole.”

**Coverage gap or “donut hole” stage**
During this stage, your discount is less because you’ll be receiving a minimum level of coverage on brand-name and generic drugs until your yearly out-of-pocket costs reach $6,350.

Once your yearly out-of-pocket costs reach $6,350, you move to the catastrophic coverage stage.

**Catastrophic coverage stage**
In this stage, most members will pay only a small copayment or coinsurance amount for each prescription.

© 2019 Aetna Inc.