

## What Counts as a True Out-Of-Pocket Cost (TrOOP)?

TrOOP Includes	TrOOP Does NOT Include
Beneficiaries' out-of-pocket expenses including the annual deductible and any coinsurance or co-payment amounts	Monthly premiums paid to the plan
Beneficiary spending using health savings accounts (HSAs), flexible spending accounts (FSAs) and medical savings accounts (MSAs)	Amount paid by other insurance plans in addition to the beneficiary's Part D coverage (for example, an employer or retiree group plan's drug benefit)
Contributions or payments at the pharmacy by friends or relatives on a beneficiary's behalf	Amount paid by state programs that receive federal or public funds, such as AIDS Drug Assistance Program (ADAP) that help cover the beneficiary's costs
Contributions or payments at the pharmacy from certain charitable foundations on a beneficiary's behalf	Amount spent for prescription drugs that are not on the plan's formulary
Unadvertised, individualized waivers or reductions of plan cost-sharing amounts by pharmacies due to the beneficiary's inability to pay	Amount spent for prescription drugs that are purchased from a pharmacy that is not in the pharmacy network of the plan (except for emergency care)
Payments by Qualified State Pharmaceutical Assistance Programs (SPAPs) <sup>1</sup>	The total cost of a drug that a private Patient Assistance Program (PAP) provides to a beneficiary
Co-payments paid by beneficiaries who use private Patient Assistance Programs (PAPs) to cover Part D drugs that are on their plan's formulary	Co-payments paid by beneficiaries who use private Patient Assistance Programs (PAPs) to cover Part D drugs that are not on their plan's formulary

<sup>1</sup> As of July 1, 2007, the Virgin Islands and 25 states (Alaska, California, Colorado, Connecticut, Delaware, Florida, Illinois, Indiana, Massachusetts, Maine, Maryland, Missouri, Montana, North Carolina, New Jersey, Nevada, New York, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, Washington, and Wisconsin) offer qualified SPAPs. Some states offer more than one qualified SPAP. More information is available from CMS at:

<http://www.cms.hhs.gov/States/Downloads/QualifiedSPAP7-5.pdf>