

**January 1 – December 31, 2010**

## **Evidence of Coverage:**

### **Your Medicare Prescription Drug Coverage as a Member of**

#### ***Horizon Medicare Blue Rx Enhanced.***

This booklet gives you the details about your Medicare prescription drug coverage from January 1 – December 31, 2010. It explains how to get the prescription drugs you need. This is an important legal document. Please keep it in a safe place.

#### ***Horizon Medicare Blue Rx Enhanced Customer Service:***

For help or information, please call Customer Service at 1-866-236-7376 or go to our Plan's website at [www.horizonblue.com/medicare](http://www.horizonblue.com/medicare). TTY/TDD users call: 1-866-236-1069.  
(Calls to these numbers are free)

This plan is offered by Horizon Healthcare Services DBA Horizon BCBSNJ, referred throughout the Evidence of Coverage as “we,” “us,” or “our.” Horizon Medicare Blue Rx Standard is referred to as “plan” or “our Plan.”

Horizon Medicare Blue Rx Enhanced (PDP) is a Medicare prescription drug plan. This is issued by Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey, **which is a Medicare approved Part D sponsor.** Horizon Blue Cross Blue Shield of New Jersey is an independent licensee of the Blue Cross and Blue Shield Association.

This information may be available in a different format, including *Spanish*. Please call Customer Service at the number listed above if you need plan information in another language.

Esta información podrá estar disponible en un formato distinto, inclusive Español. Llame a Servicio a Miembros al número indicado arriba si necesita información del plan en otro formato o idioma.

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## **Chapter 1. Getting started as a member of our Plan**

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## **SECTION 1 Introduction**

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<b>Section 1.1</b>	<b>What is the <i>Evidence of Coverage</i> booklet about?</b>
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This *Evidence of Coverage* booklet tells you how to get your Medicare prescription drug coverage through our Plan. This booklet explains your rights and responsibilities, what is covered, and what you pay as a member of the plan.

- You are covered by Original Medicare for your health care coverage, and you have chosen to get your Medicare prescription drug coverage through our Plan.
- This plan is offered by Horizon Healthcare Services DBA Horizon BCBSNJ, referred throughout the Evidence of Coverage as “we,” “us,” or “our.” *Horizon Medicare Blue Rx Standard or Horizon Medicare Blue Rx Enhanced* is referred to as “plan” or “our Plan.”

The word “coverage” and “covered drugs” refers to the prescription drug coverage available to you as a member of our Plan.

<b>Section 1.2</b>	<b>What does this Chapter tell you?</b>
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Look through Chapter 1 of this *Evidence of Coverage* to learn:

- What makes you eligible to be a plan member?
- What materials will you get from us?
- What is your plan premium and how can you pay it?
- What is your plan’s service area?
- How do you keep the information in your membership record up to date?

<b>Section 1.3</b>	<b>What if you are new to the Plan?</b>
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If you are a new member, then it’s important for you to learn how the plan operates – what the rules are and what coverage is available to you. We encourage you to set aside some time to look through this *Evidence of Coverage* booklet.

***If you are confused or concerned or just have a question, please contact our Plan’s Customer Service (contact information is on the cover of this booklet).***

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## **Section 1.4      Legal information about the *Evidence of Coverage***

### **It's part of our contract with you**

This *Evidence of Coverage* is part of our contract with you about how our Plan covers your care. Other parts of this contract include your enrollment form, the *List of Covered Drugs (Formulary)*, and any notices you receive from us about changes or extra conditions that can affect your coverage. These notices are sometimes called “riders” or “amendments.”

The contract is in effect for months in which you are enrolled in the Plan between January 1, 2010 to December 31, 2010.

### **Medicare must approve our Plan each year**

Medicare (the Centers for Medicare & Medicaid Services) must approve our Plan each year. You can continue to get Medicare coverage as a member of our Plan only as long as we choose to continue to offer the plan for the year in question and the Centers for Medicare & Medicaid Services renews its approval of the plan.

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## **SECTION 2      What makes you eligible to be a plan member?**

### **Section 2.1      Your eligibility requirements**

*You are eligible for membership in our Plan as long as:*

- You live in our geographic service area (section 2.3 below describes our service area)
- -- *and* -- you are entitled to Medicare Part A or you are enrolled in Medicare Part B (or you have both Part A and Part B)

### **Section 2.2      What are Medicare Part A and Medicare Part B?**

When you originally signed up for Medicare, you received information about how to get Medicare Part A and Medicare Part B. Remember:

- Medicare Part A generally covers services furnished by providers such as hospitals, skilled nursing facilities or home health agencies.
- Medicare Part B is for most other medical services, such as physician's services and other outpatient services.

**Section 2.3 Here is the plan service area for our Plan.**

Although Medicare is a Federal program, our Plan is available only to individuals who live in our Plan service area. To stay a member of our Plan, you must keep living in this service area. The service area is described below.

Our service area includes these states: New Jersey

If you plan to move out of the service area, please contact Customer Service.

**SECTION 3 What other materials will you get from us?**

**Section 3.1 Your plan membership card – Use it to get all covered prescription drugs**

While you are a member of our Plan, you must use our membership card for prescription drugs you get at network pharmacies. Here’s a sample membership card to show you what yours will look like:

**Horizon**  
Horizon Blue Cross Blue Shield of New Jersey

**Horizon Medicare Blue Rx Enhanced (PDP)**

Member Name  
J S SOMETHINGELS MD  
Member ID Number  
**YHV3HZN12345678** CMS-S5993-003

GROUP NUMBER 002-085915 RXBIN 004336  
EFFECTIVE DATE 1/01/2010 RXPCN HZRX ISSUER (80840)  
BC/BS PLAN CODES 280/780 RXGRP 00859 1500002

**CAREMARK**  
It all starts with care.

Horizon Blue Cross Blue Shield of New Jersey is an independent licensee of the Blue Cross and Blue Shield Association. PROVIDERS MUST NOT BILL MEDICARE.

www.horizonblue.com/Medicare  
Pharmacy Services  
TTY/TDD  
Provider Services  
Emergency Services

Submit pharmacy claims to:  
Caremark  
PO Box 52066  
Phoenix, AZ 85072-2066

AN INDEPENDENT COMPANY  
ADMINISTERING PHARMACY BENEFITS.

Please carry your card with you at all times and remember to show your card when you get covered drugs. If your plan membership card is damaged, lost, or stolen, call Customer Service right away and we will send you a new card.

You may need to use your red, white, and blue Medicare card to get covered medical care and services under Original Medicare.

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<b>Section 3.2</b>	<b>The <i>Pharmacy Directory</i>: your guide to pharmacies in our network</b>
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### What are “network pharmacies”?

Our *Pharmacy Directory* gives you a complete list of our network pharmacies – that means all of the pharmacies that have agreed to fill covered prescriptions for our Plan members.

### Why do you need to know about network pharmacies?

You can use the *Pharmacy Directory* to find the network pharmacy you want to use. This is important because, with few exceptions, you must get your prescriptions filled at one of our network pharmacies if you want our Plan to cover (help you pay for) them.

We will send you a complete *Pharmacy Directory* **at least once every three years**. Every year that you don’t get a new *Pharmacy Directory*, we’ll send you a booklet that shows changes to the directory.

If you don’t have the *Pharmacy Directory*, you can get a copy from Customer Service (phone numbers are on the front cover). At any time, you can call Customer Service to get up-to-date information about changes in the pharmacy network. You can also find this information on our website at [www.horizonblue.com/medicare](http://www.horizonblue.com/medicare).

<b>Section 3.3</b>	<b>The plan’s <i>List of Covered Drugs (Formulary)</i></b>
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The plan has a *List of Covered Drugs (Formulary)*. We call it the “Drug List” for short. It tells which Part D prescription drugs are covered by our Plan. The drugs on this list are selected by the plan with the help of a team of doctors and pharmacists. The list must meet requirements set by Medicare. Medicare has approved our Plan Drug List.

We will send you a copy of the Drug List. To get the most complete and current information about which drugs are covered, you can visit the plan’s website ([http://www.horizonblue.com/medicare/partd/Pharmacy\\_Formulary\\_search.aspx](http://www.horizonblue.com/medicare/partd/Pharmacy_Formulary_search.aspx).) or call Customer Service (phone numbers are on the front cover of this booklet).

<b>Section 3.4</b>	<b>Reports with a summary of payments made for your prescription drugs</b>
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When you use your prescription drug benefits, we will send you a report to help you understand and keep track of payments for your prescription drugs. This summary report is called the *Explanation of Benefits*.

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The *Explanation of Benefits* tells you the total amount you have spent on your prescription drugs and the total amount we have paid for each of your prescription drugs during the month. Chapter 4 (*What you pay for your Part D prescription drugs*) gives more information about the *Explanation of Benefits* and how it can help you keep track of your drug coverage.

An *Explanation of Benefits* summary is also available upon request. To get a copy, please contact Customer Service.

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## **SECTION 4      Your monthly premium for our Plan.**

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<b>Section 4.1      How much is your plan premium?</b>
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As a member of our Plan, you pay a monthly plan premium. For 2010, the monthly premium for:

Horizon Medicare Blue Rx Standard is **\$45.80**

Horizon Medicare Blue Rx Enhanced is **\$83.50**

### **In some situations, your plan premium could be less**

There are programs to help people with limited resources pay for their drugs. Chapter 2, Section 7 tells more about these programs. If you qualify for one of these programs, enrolling in the program might make your monthly plan premium lower than above.

If you are *already enrolled* and getting help from one of these programs, **some of the payment information in this *Evidence of Coverage* may not apply to you.** We have included a separate insert, called the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider) that tells you about your drug coverage. If you don’t have this insert, please call Customer Service and ask for the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider). Phone numbers for Customer Service are on the front cover.

### **In some situations, your plan premium could be more**

Some members are required to pay a **late enrollment penalty** because they did not join a Medicare drug plan when they first became eligible or because they had a continuous period of 63 days or more when they didn’t keep their coverage. For these members, the plan’s monthly premium will be higher. It will be the monthly plan premium plus the amount of their late enrollment penalty.

If you are required to pay the late enrollment penalty, the amount of your penalty depends on how long you waited before you enrolled in drug coverage or how many months you were without drug coverage after you became eligible. Chapter 4, Section 10 explains the late enrollment penalty.

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## Many members are required to pay other Medicare premiums

In addition to paying the monthly plan premium, some plan members will be paying a premium for Medicare Part A and most plan members will be paying a premium for Medicare Part B. You must continue paying your Medicare Part B premium for you to remain as a member of the plan.

- Your copy of *Medicare & You 2010* tells about these premiums in the section called “2010 Medicare Costs.” This explains how the Part B premium differs for people with different incomes.
- Everyone with Medicare receives a copy of *Medicare & You* each year in the fall. Those new to Medicare receive it within a month after first signing up. You can also download a copy of *Medicare & You 2010* from the Medicare website (<http://www.medicare.gov>). Or, you can order a printed copy by phone at 1-800-MEDICARE (1-800-633-4227) 24 hours a day, 7 days a week. TTY users call 1-877-486-2048.

<b>Section 4.2</b>	<b>There are several ways you can pay your plan premium</b>
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There are 3 ways you can pay your plan premium.

### Option 1: You can pay by check

You have the option to pay your premiums monthly, quarterly or semi-annually. Your plan premium is due in our office by the first (1<sup>st</sup>) day of the month, quarter or semi-annual period. Please mail your check or money order to Horizon Blue Cross Blue Shield of New Jersey, P.O. Box 989, Newark, NJ 07101. Please note that there will be an item charge of \$25.00 for returned checks.

### Option 2: You can pay by telephone through our website or make a payment through your bank

- Please call Customer Service at the number listed on the front cover of this booklet to make a payment by phone using your checking account. You will need to provide your checking account information in addition to the unique codes on the bottom of your checks.
- You can also elect to have us debit your checking account for your premium payments.

### Option 3: You can have the plan premium taken out of your monthly Social Security check

You can have the plan premium taken out of your monthly Social Security check. Contact Customer Service for more information on how to pay your monthly plan premium this way. We will be happy to help you set this up.

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## **What to do if you are having trouble paying your plan premium**

Your plan premium is due in our office by the first (1<sup>st</sup>) day of the month, quarter or semi-annual period. If we have not received your premium by the seventh (7<sup>th</sup>) day of the month, quarter or semi-annual period, we will send you a notice telling you that your plan membership will end if we do not receive your premium within 60 days.

If you are having trouble paying your premium on time, please contact Customer Service to see if we can direct you to programs that will help with your plan premium. If we end your membership with the plan because of non-payment of premiums, and you don't currently have prescription drug coverage then you will not be able to receive Part D coverage until the annual election period. At that time, you may either join a stand-alone prescription drug plan or a health plan that also provides drug coverage.

If we end your membership due to non-payment of premiums, you will have coverage under Original Medicare. At the time we end your membership, you may still owe us for premiums you have not paid. In the future, if you want to enroll again in our Plan (or another plan that we offer), you will need to pay these late premiums before you can enroll.

<b>Section 4.3</b>	<b>Can we change your monthly plan premium during the year?</b>
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**No.** We are not allowed to change the amount we charge for the plan's monthly plan premium during the year. If the monthly plan premium changes for next year we will tell you in October and the change will take effect on January 1.

However, in some cases the part of the premium that you have to pay can change during the year. This happens if you become eligible for Extra Help or if you lose your eligibility for Extra Help during the year. If a member qualifies for Extra Help with their prescription drug costs, Extra Help will pay part of the member's monthly plan premium. So a member who becomes eligible for Extra Help during the year would begin to pay less toward their monthly premium. And a member who loses their eligibility during the year will need to start paying their full monthly premium. You can find out more about Extra Help in Chapter 2, Section 7.

## **What if you believe you have qualified for "Extra Help"**

If you believe you have qualified for Extra Help and you believe that you are paying an incorrect cost-sharing amount when you get your prescription at a pharmacy, our Plan has established a process that allows you to either request assistance in obtaining evidence of your proper copayment level, or, if you already have the evidence, to provide this evidence to us. Please call Customer Service to request assistance with obtaining or providing this evidence.

When we receive the evidence showing your copayment level, we will update our system so that you can pay the correct copayment when you get your next prescription at the pharmacy. If you

overpay your copayment, we will reimburse you. Either we will forward a check to you in the amount of your overpayment or we will offset future copayments. If the pharmacy hasn't collected a copayment from you and is carrying your copayment as a debt owed by you, we may make the payment directly to the pharmacy. If a state paid on your behalf, we may make payment directly to the state. Please contact Customer Service if you have questions.

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## **SECTION 5      Please keep your plan membership record up to date**

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<b>Section 5.1      How to help make sure that we have accurate information about you</b>
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Your membership record has information from your enrollment form, including your address and telephone number. It shows your specific plan coverage.

The pharmacists in the plan's network need to have correct information about you. **These network providers use your membership record to know what drugs are covered for you.** Because of this, it is very important that you help us keep your information up to date.

### **Call Customer Service to let us know about these changes:**

- Changes to your name, your address, or your phone number
- Changes in any other medical or drug insurance coverage you have (such as from your employer, your spouse's employer, workers' compensation, or Medicaid)
- If you have any liability claims, such as claims from an automobile accident
- If you have been admitted to a nursing home

### **Read over the information we send you about any other insurance coverage you have**

Medicare requires that we collect information from you about any other medical or drug insurance coverage that you have. That's because we must coordinate any other coverage you have with your benefits under our Plan.

Once each year, we will send you a letter that lists any other medical or drug insurance coverage that we know about. Please read over this information carefully. If it is correct, you don't need to do anything. If the information is incorrect, or if you have other coverage that is not listed, please call Customer Service (phone numbers are on the cover of this booklet)

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**SECTION 1 Our Plan’s contacts**  
 (how to contact us, including how to reach Customer Service at the plan)

**How to contact our Plan’s Customer Service**

For assistance with claims, billing or member card questions, please call or write to *our Plan* Customer Service. We will be happy to help you.

<b>Customer Service</b>	
<b>CALL</b>	1-866-236-7376, Calls to this number are free. <i>Hours of Operation: 24 hours a day, 7 days a week</i>
<b>TTY/TDD</b>	1-866-236-1069  This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.  Calls to this number are free. <i>Hours of Operation: 24 hours a day, 7 days a week</i>
<b>WRITE</b>	Caremark P. O. Box 280200 Nashville, TN 37228
<b>WEBSITE</b>	<a href="http://www.horizonblue.com/medicare">www.horizonblue.com/medicare</a>

**How to contact us when you are asking for a coverage decision & appeals about your Part D prescription drugs**

You may call us if you have questions about our coverage decision process or making an appeal.

<b>Coverage Decisions or making an Appeal about your Part D Prescription Drugs</b>	
<b>CALL</b>	1-866-884-9477.  Calls to this number are free.

<b>TTY/TDD</b>	1-866-236-1069  This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.  Calls to this number are free.
<b>FAX</b>	1-866-884-9475
<b>WRITE</b>	<i>Caremark Medicare Appeals Department MC109, P.O. Box 52000 Phoenix, AZ 85072-2000</i>

For more information on asking for coverage decisions about your Part D prescription drugs, and on making an appeal see Chapter 7 (*What to do if you have a problem or complaint (coverage decisions, appeals, complaints)*).

**How to contact us when you are making a complaint about your Part D prescription drugs**

<b>Complaints about Part D prescription drugs</b>	
<b>CALL</b>	1-866-249-6176. Calls to this number are free.
<b>TTY/TDD</b>	1-866-236-1069  This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.  Calls to this number are free.
<b>FAX</b>	1-866-217-3353
<b>WRITE</b>	<i>Caremark Grievance Department P.O. Box 53991 Phoenix, AZ 85072-3991</i>

For more information on making a complaint about your Part D prescription drugs, see Chapter 7 (*What to do if you have a problem or complaint (coverage decisions, appeals, complaints)*).

**Where to send a request that asks us to pay for our share of the cost of a drug you have received**

The coverage determination process includes determining requests that asks us to pay for our share of the costs of a drug that you have received. For more information on situations in which you may need to ask the plan for reimbursement or to pay a bill you have received from a provider, see Chapter 5 (*Asking the plan to pay its share of the cost of a drug*).

<b>Payment Requests</b>	
<b>CALL</b>	1-866-236-7376  Calls to this number are free.
<b>TTY/TDD</b>	1-866-236-1069  This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.  Calls to this number are free.
<b>WRITE</b>	Caremark-Medicare Part D P.O. Box 52066 Phoenix, AZ 85072-2000

**Please note:** If you send us a payment request and we deny any part of your request, you can appeal our decision. See Chapter 7 (*What to do if you have a problem or complaint (coverage decisions, appeals, complaints)*) for more information.

**SECTION 2 Medicare**  
(how to get help and information directly from the Federal Medicare program)

Medicare is the Federal health insurance program for people 65 years of age or older, some people under age 65 with disabilities, and people with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant).

The Federal agency in charge of Medicare is the Centers for Medicare & Medicaid Services (sometimes called “CMS”). This agency contracts with Medicare Prescription Drug Plans, including us.

<b>Medicare</b>	
<b>CALL</b>	<p>1-800-MEDICARE, or 1-800-633-4227</p> <p>Calls to this number are free.</p> <p>24 hours a day, 7 days a week.</p>
<b>TTY</b>	<p>1-877-486-2048</p> <p>This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.</p> <p>Calls to this number are free.</p>
<b>WEBSITE</b>	<p><a href="http://www.medicare.gov">http://www.medicare.gov</a></p> <p>This is the official government website for Medicare. It gives you up-to-date information about Medicare and current Medicare issues. It also has information about hospitals, nursing homes, physicians, home health agencies, and dialysis facilities. It includes booklets you can print directly from your computer. It has tools to help you compare Medicare Advantage Plans and Medicare drug plans in your area. You can also find Medicare contacts in your state by selecting “Helpful Phone Numbers and Websites.”</p> <p>If you don’t have a computer, your local library or senior center may be able to help you visit this website using its computer. Or, you can call Medicare at the number above and tell them what information you are looking for. They will find the information on the website, print it out, and send it to you.</p>

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### **SECTION 3      State Health Insurance Assistance Program** (free help, information, and answers to your questions about Medicare)

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The State Health Insurance Assistance Program (SHIP) is a government program with trained counselors in every state. In New Jersey, the State Health Insurance Assistance Program is called SHIP.

SHIP is independent (not connected with any insurance company or health plan). It is a state program that gets money from the Federal government to give free local health insurance counseling to people with Medicare.

SHIP counselors can help you with your Medicare questions or problems. They can help you understand your Medicare rights, help you make complaints about your medical care or treatment, and help you straighten out problems with your Medicare bills. SHIP counselors can also help you understand your Medicare plan choices and answer questions about switching plans.

<b>State Health Insurance Assistance Program</b>	
<b>CALL</b>	1-800-792-8820
<b>WRITE</b>	State Health Insurance Assistance Program P. O. Box 807 240 West State Street Trenton, New Jersey 08625-0807
<b>WEBSITE</b>	<a href="http://www.nj.gov/health">www.nj.gov/health</a>

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## **SECTION 4      Quality Improvement Organization** (paid by Medicare to check on the quality of care for people with Medicare)

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There is a Quality Improvement Organization in each state. In New Jersey, the Quality Improvement Organization is called Healthcare Quality Strategies, Inc.

Healthcare Quality Strategies, Inc. has a group of doctors and other health care professionals who are paid by the Federal government. This organization is paid by Medicare to check on and help improve the quality of care for people with Medicare. *Healthcare Quality Strategies, Inc.* is an independent organization. It is not connected with our Plan.

You should contact Healthcare Quality Strategies, Inc. in any of these situations:

- You have a complaint about the quality of care you have received.
- You think coverage for your hospital stay is ending too soon.
- You think coverage for your home health care, skilled nursing facility care, or Comprehensive Outpatient Rehabilitation Facility (CORF) services are ending too soon.

<b>Healthcare Quality Strategies, Inc.</b>	
<b>CALL</b>	1-800-624-4557
<b>TTY/TDD</b>	1-800-752-8420  This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.
<b>WRITE</b>	Healthcare Quality Strategies, Inc. 557 Cranbury Road, Suite 21 East Brunswick, New Jersey 08816
<b>WEBSITE</b>	www.hqsi.org

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## **SECTION 5 Social Security**

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Social Security is responsible for determining eligibility and handling enrollment for Medicare. U.S. citizens who are 65 or older, or who have a disability or end stage renal disease and meet certain conditions, are eligible for Medicare. If you are already getting Social Security checks, enrollment into Medicare is automatic. If you are not getting Social Security checks, you have to enroll in Medicare and pay the Part B premium. Social Security handles the enrollment process for Medicare. To apply for Medicare, you can call Social Security or visit your local Social Security office.

<b>Social Security Administration</b>	
<b>CALL</b>	1-800-772-1213  Calls to this number are free.  Available 7:00 am to 7:00 pm, Monday through Friday.  You can use our automated telephone services to get recorded information and conduct some business 24 hours a day.

<b>TTY/TDD</b>	<p>1-800-325-0778</p> <p>This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.</p> <p>Calls to this number are free.</p> <p>Available 7:00 am ET to 7:00 pm, Monday through Friday.</p>
<b>WEBSITE</b>	<p><a href="http://www.ssa.gov">http://www.ssa.gov</a></p>

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**SECTION 6      Medicaid**  
 (a joint Federal and state program that helps with medical costs for some people with limited income and resources)

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Medicaid is a joint Federal and state government program that helps with medical costs for certain people with limited incomes and resources. Some people with Medicare are also eligible for Medicaid. Medicaid has programs that can help pay for your Medicare premiums and other costs, if you qualify. To find out more about Medicaid and its programs, contact New Jersey Department of Human Services.

<b><i>New Jersey Department of Human Services</i></b>	
<b>CALL</b>	1-800-356-1561
<b>WRITE</b>	Please contact your local county’s welfare agency (board of social services).
<b>WEBSITE</b>	<a href="http://www.state.nj.us/humanservices">www.state.nj.us/humanservices</a>

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**SECTION 7      Information about programs to help people pay for their prescription drugs**

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**Medicare’s “Extra Help” Program**

Medicare provides “Extra Help” to pay prescription drug costs for people who have limited income and resources. Resources include your savings and stocks, but not your home or car. If

you qualify, you get help paying for any Medicare drug plan’s monthly premium, yearly deductible, and prescription co-payments or coinsurance. This Extra Help also counts toward your out-of-pocket costs.

People with limited income and resources may qualify for Extra Help. Some people automatically qualify for Extra Help and don’t need to apply. Medicare mails a letter to people who automatically qualify for Extra Help.

If you think you may qualify for Extra Help, call Social Security (see Section 5 of this chapter for contact information) to apply for the program. You may also be able to apply at your State Medical Assistance or Medicaid Office (see Section 6 of this chapter for contact information). After you apply, you will get a letter letting you know if you qualify for Extra Help and what you need to do next.

### **State Pharmaceutical Assistance Programs**

*Pharmaceutical Assistance to the Aged and Disabled (PAAD) and New Jersey Gold Prescription Discount Program (Senior Gold).*

Many states have State Pharmaceutical Assistance Programs that help some people pay for prescription drugs based on financial need, age, or medical condition. Each state has different rules to provide drug coverage to its members.

In New Jersey, the PAAD is a state organization that provides limited income and medically needy seniors and individuals with disabilities financial help for prescription drugs.

<b><i>New Jersey Department of Health and Senior Services</i></b>	
<b>CALL</b>	1-800-792-9745
<b>WRITE</b>	New Jersey Department of Health and Senior Services Pharmaceutical Assistance to the Aged and Disabled (PAAD) or Senior Gold Lifeline and Special Benefit Programs P. O. Box 715 Trenton, New Jersey 08625-0715
<b>WEBSITE</b>	<a href="http://www.NJPAAD.gov">www.NJPAAD.gov</a>

## SECTION 8 How to contact the Railroad Retirement Board

The Railroad Retirement Board is an independent Federal agency that administers comprehensive benefit programs for the nation’s railroad workers and their families. If you have questions regarding your benefits from the Railroad Retirement Board, contact the agency.

Railroad Retirement Board	
<b>CALL</b>	<p>1-877-772-5772</p> <p>Calls to this number are free.</p> <p>Available 9:00 am to 3:30 pm, Monday through Friday</p> <p>If you have a touch-tone telephone, recorded information and automated services are available 24 hours a day, including weekends and holidays.</p>
<b>TTY/TDD</b>	<p>1-312-751-4701</p> <p>This number requires special telephone equipment and is only for people who have difficulties with hearing or speaking.</p> <p>Calls to this number are <i>not</i> free.</p>
<b>WEBSITE</b>	<p><a href="http://www.rrb.gov">http://www.rrb.gov</a></p>

## SECTION 9 Do you have “group insurance” or other health insurance from an employer?

If you (or your spouse) get benefits from your (or your spouse’s) employer or retiree group, call the employer/union benefits administrator or Customer Service if you have any questions. You can ask about your (or your spouse’s) employer or retiree health or drug benefits, premiums, or enrollment period.

If you have other prescription drug coverage through your (or your spouse’s) employer or retiree group, please contact **that group’s benefits administrator**. The benefits administrator can help you determine how your current prescription drug coverage will work with our Plan.

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## **Chapter 3. Using the plan's coverage for your Part D prescription drugs**

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### **Did you know there are programs to help people pay for their drugs?**

There are programs to help people with limited resources pay for their drugs. These include “Extra Help” and State Pharmaceutical Assistance Programs. For more information, see Chapter 2, Section 7.

### **Are you currently getting help to pay for your drugs?**

If you are in a program that helps pay for your drugs, **some information in this Evidence of Coverage may not apply to you.** We have included a separate insert, called the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider) that tells you about your drug coverage. If you don't have this insert, please call Customer Service and ask for the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider). Phone numbers for Customer Service are on the front cover.

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## **SECTION 1 Introduction**

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<b>Section 1.1 This chapter describes your coverage for Part D drugs</b>
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This chapter explains rules for using your coverage for Part D drugs. The next chapter tells what you pay for Part D drugs (Chapter 4, *What you pay for your Part D prescription drugs*).

In addition to your coverage for Part D drugs through our Plan, Original Medicare (Medicare Part A and Part B) also covers some drugs:

- Medicare Part A covers drugs you are given during Medicare-covered stays in the hospital or in a skilled nursing facility.
- Medicare Part B also provides benefits for some drugs. Part B drugs include certain chemotherapy drugs, certain drug injections you are given during an office visit, and drugs you are given at a dialysis facility.

The two examples of drugs described above are covered by Original Medicare. To find out more about this coverage, see your *Medicare & You* handbook.

**This chapter explains rules for using your coverage for Part D drugs under our Plan.** The next chapter tells what you pay for Part D drugs (Chapter 4, *What you pay for your Part D prescription drugs*).

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<b>Section 1.2</b>	<b>Basic rules for the plan's Part D drug coverage</b>
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The plan will generally cover your drugs as long as you follow these basic rules:

- You must use a network pharmacy to fill your prescription. (See Section 2, *Fill your prescriptions at a network pharmacy.*)
- Your drug must be on the plan's *List of Covered Drugs (Formulary)* (we call it the "Drug List" for short). (See Section 3, *Your drugs need to be on the plan's drug list.*)
- Your drug must be considered "medically necessary", meaning reasonable and necessary for treatment of your illness or injury. It also needs to be an accepted treatment for your medical condition.

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<b>SECTION 2</b>	<b>Fill your prescription at a network pharmacy or through the plan's mail-order service</b>
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<b>Section 2.1</b>	<b>To have your prescription covered, use a network pharmacy</b>
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In most cases, your prescriptions are covered *only* if they are filled at the plan's network pharmacies.

A network pharmacy is a pharmacy that has a contract with the plan to provide your covered prescription drugs. The term "covered drugs" means all of the Part D prescription drugs that are covered by the plan.

<b>Section 2.2</b>	<b>Finding network pharmacies</b>
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**How do you find a network pharmacy in your area?**

You can look in your *Pharmacy Directory*, visit our website ([www.horizonblue.com/medicare](http://www.horizonblue.com/medicare)), or call Customer Service (phone numbers are on the cover). Choose whatever is easiest for you.

You may go to any of our network pharmacies. If you switch from one network pharmacy to another, and you need a refill of a drug you have been taking, you can ask to either have a new prescription written by a doctor or to have your prescription transferred to your new network pharmacy.

### **What if the pharmacy you have been using leaves the network?**

If the pharmacy you have been using leaves the plan's network, you will have to find a new pharmacy that is in the network. To find another network pharmacy in your area, you can get help from Customer Service (phone numbers are on the cover) or use the *Pharmacy Directory*.

### **What if you need a non-retail, network pharmacy?**

Sometimes prescriptions must be filled at a non-retail, network pharmacy. Non-retail, network pharmacies include:

- Pharmacies that supply drugs for home infusion therapy.
- Pharmacies that supply drugs for residents of a long-term-care facility. Usually, a long-term care facility (such as a nursing home) has its own pharmacy. Residents may get prescription drugs through the facility's pharmacy as long as it is part of our network. If your long-term care pharmacy is not in our network, please contact Customer Service.
- Pharmacies that dispense certain drugs that are restricted by the FDA to certain locations, require extraordinary handling, provider coordination, or education on its use. (Note: This scenario should happen rarely.)

To locate a non-retail, network pharmacy, look in your *Pharmacy Directory* or call CustomerService.

## **Section 2.3 Using the plan's mail-order services**

Our Plan's mail-order service requires you to order **up to a 90 day supply**.

To get order forms and information about filling your prescriptions by mail, call Customer Service or go to [www.horizonblue.com/medicare](http://www.horizonblue.com/medicare). If you use a mail-order pharmacy not in the plan's network, your prescription will not be covered.

Usually a mail-order pharmacy order will get to you in no more than 10 days. However, sometimes your mail-order may be delayed. If this happens, we will coordinate with the mail-order pharmacy to transfer the prescription to a retail pharmacy at a location that is most convenient for you.

## **Section 2.4 How can you get a long-term supply of drugs?**

When you get a long-term supply of drugs, your cost sharing may be lower. The plan offers two ways to get a long-term supply of maintenance drugs on our Plan's Drug List. (Maintenance drugs are drugs that you take on a regular basis, for a chronic or long-term medical condition.)

1. **Some retail pharmacies** in our network allow you to get a long-term supply of maintenance drugs. Some of these retail pharmacies may agree to accept the mail-order cost-sharing amount for a long-term supply of maintenance drugs. Your *Pharmacy Directory* tells you which pharmacies in our network can give you a long-term supply of maintenance drugs. You can also call Customer Service for more information.
2. For most kinds of drugs, you can use the Plan's network **mail-order services**. These drugs are marked as mail-order drugs on our Plan's Drug List. Our Plan's mail-order service requires you to order at least a 90 day supply of the drug and no more than a 90 day supply. See Section 3.3 for more information about using our mail-order services.

<b>Section 2.5</b>	<b>When can you use a pharmacy that is not in the plan's network?</b>
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### Your prescription might be covered in certain situations

We have network pharmacies outside of our service area where you can get your prescriptions filled as a member of our Plan. Generally, we cover drugs filled at an out-of-network pharmacy *only* when you are not able to use a network pharmacy. Here are the circumstances when we would cover prescriptions filled at an out-of-network pharmacy:

- If you are traveling within the United States and territories and become ill, lose or run out of your prescription.
- If you need a prescription because of a medical emergency or because you need urgent care.

In these situations, **please check first with Customer Service** to see if there is a network pharmacy nearby.

### How do you ask for reimbursement from the plan?

If you must use an out-of-network pharmacy, you will generally have to pay the full cost (rather than paying your normal share of the cost) when you fill your prescription. You can ask us to reimburse you for our share of the cost. (Chapter 5, Section 2.1 explains how to ask the plan to pay you back.)

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## **SECTION 3**      **Your drugs need to be on the plan's "Drug List"**

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<b>Section 3.1</b>	<b>The "Drug List" tells which Part D drugs are covered</b>
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The plan has a "*List of Covered Drugs (Formulary)*." In this *Evidence of Coverage*, we call it the "**Drug List**" for short.

The drugs on this list are selected by the plan with the help of a team of doctors and pharmacists. The list must meet requirements set by Medicare. Medicare has approved the plan's Drug List.

The drugs on the Drug List are only those covered under Medicare Part D (earlier in this chapter, Section 1.1 explains about Part D drugs).

We will generally cover a drug on the plan's Drug List as long as you follow the other coverage rules explained in this chapter and the drug is medically necessary, meaning reasonable and necessary for treatment of your illness or injury. It also needs to be an accepted treatment for your medical condition.

### **The Drug List includes both brand-name and generic drugs**

A generic drug is a prescription drug that has the same active ingredients as the brand-name drug. It works just as well as the brand-name drug, but it costs less. There are generic drug substitutes available for many brand-name drugs.

### **What is *not* on the Drug list?**

The plan does not cover all prescription drugs.

- In some cases, the law does not allow any Medicare plan to cover certain types of drugs (for more about this, see Section 8.1 in this chapter).
- In other cases, we have decided not to include a particular drug on our Drug List.

<b>Section 3.2</b>	<b>There are four "cost-sharing tiers" for drugs on the Drug List</b>
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Every drug on the plan's Drug List is in one of four cost-sharing tiers. In general, the higher the cost-sharing tier, the higher your cost for the drug:

- ***Tier One: Preferred Generic Drugs (lowest copay)***  
Approved by the U.S. Food and Drug Administration, generic drugs contain the same active ingredients as brand-name medications. Generics are chemically and therapeutically equivalent to brand drugs, but are available at a lower price.
- ***Tier Two: Preferred Brand Drugs (middle copay)***  
These brand-name drugs have been identified as the most therapeutically safe and effective options for treatment of most medical conditions. These drugs do not have less-costly generic equivalents because they are sold under a trademarked name.
- ***Tier Three: Non-Preferred Brand and Generic Drugs (highest copay)***  
These products often have either a generic equivalent or a preferred-brand drug alternative.
- ***Tier Four: Specialty Drugs (co-insurance)***

To find out which cost-sharing tier your drug is in, look it up in the plan's *Drug List*.

The amount you pay for drugs in each cost-sharing tier is shown in Chapter 4 (*What you pay for your Part D prescription drugs*).

### **Section 3.3      How can you find out if a specific drug is on the Drug List?**

You have three ways to find out:

1. Check the most recent Drug List we sent you in the mail.
2. Visit the plan's website ([www.horizonblue.com/medicare](http://www.horizonblue.com/medicare)). The Drug List on the website is always the most current.
3. Call Customer Service to find out if a particular drug is on the plan's Drug List or to ask for a copy of the list. Phone numbers for Customer Service are on the front cover.

## **SECTION 4      There are restrictions on coverage for some drugs**

### **Section 4.1      Why do some drugs have restrictions?**

For certain prescription drugs, special rules restrict how and when the plan covers them. A team of doctors and pharmacists developed these rules to help our members use drugs in the most effective ways. These special rules also help control overall drug costs, which keeps your drug coverage more affordable.

In general, our rules encourage you get a drug that works for your medical condition and is safe. Whenever a safe, lower-cost drug will work medically just as well as a higher-cost drug, the plan's rules are designed to encourage you and your doctor or other prescriber to use that lower-cost option. We also need to comply with Medicare's rules and regulations for drug coverage and cost sharing.

### **Section 4.2      What kinds of restrictions?**

Our Plan uses different types of restrictions to help our members use drugs in the most effective ways. The sections below tell you more about the types of restrictions we use for certain drugs.

#### **Using generic drugs whenever you can**

A "generic" drug works the same as a brand-name drug, but usually costs less. **When a generic version of a brand-name drug is available, our network pharmacies must provide you the generic version.** However, if your doctor has told us the medical reason that the generic drug

will not work for you, then we will cover the brand-name drug. (Your share of the cost may be greater for the brand-name drug than for the generic drug.)

### **Getting plan approval in advance**

For certain drugs, you or your doctor need to get approval from the plan before we will agree to cover the drug for you. This is called “**prior authorization.**” Sometimes plan approval is required so we can be sure that your drug is covered by Medicare rules. Sometimes the requirement for getting approval in advance helps guide appropriate use of certain drugs. If you do not get this approval, your drug might not be covered by the plan.

### **Trying a different drug first**

This requirement encourages you to try safer or more effective drugs before the plan covers another drug. For example, if Drug A and Drug B treat the same medical condition, the plan may require you to try Drug A first. If Drug A does not work for you, the plan will then cover Drug B. This requirement to try a different drug first is called “**Step Therapy.**”

### **Quantity limits**

For certain drugs, we limit the amount of the drug that you can have. For example, the plan might limit how many refills you can get, or how much of a drug you can get each time you fill your prescription. For example, if it is normally considered safe to take only one pill per day for a certain drug, we may limit coverage for your prescription to no more than one pill per day.

<b>Section 4.3</b>	<b>Do any of these restrictions apply to your drugs?</b>
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The plan's Drug List includes information about the restrictions described above. To find out if any of these restrictions apply to a drug you take or want to take, check the Drug List. For the most up-to-date information, call Customer Service (phone numbers are on the front cover) or check our website ([www.horizonblue.com/medicare](http://www.horizonblue.com/medicare)).

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## **SECTION 5**

### **What if one of your drugs is not covered in the way you'd like it to be covered?**

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<b>Section 5.1</b>	<b>There are things you can do if your drug is not covered in the way you'd like it to be covered</b>
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Suppose there is a prescription drug you are currently taking, or one that you and your doctor think you should be taking. We hope that your drug coverage will work well for you, but it's possible that you might have a problem. For example:

- **What if the drug you want to take is not covered by the plan?** For example, the drug might not be covered at all. Or maybe a generic version of the drug is covered but the brand-name version you want to take is not covered.
- **What if the drug is covered, but there are extra rules or restrictions on coverage for that drug?** As explained in Section 4, some of the drugs covered by the plan have extra rules to restrict their use. For example, you might be required to try a different drug first, to see if it will work, before the drug you want to take will be covered for you. Or there might be limits on what amount of the drug (number of pills, etc.) is covered during a particular time period.
- **What if the drug is covered, but it is in a cost-sharing tier that makes your cost sharing more expensive than you think it should be?** The Plan puts each covered drug into one of *four* different cost-sharing tiers. How much you pay for your prescription depends in part on which cost-sharing tier your drug is in.

There are things you can do if your drug is not covered in the way that you'd like it to be covered. Your options depend on what type of problem you have.

- If your drug is not on the Drug List or if your drug is restricted, go to Section 5.2 to learn what you can do.
- If your drug is in a cost-sharing tier that makes your cost more expensive than you think it should be, go to Section 5.3 to learn what you can do.

<b>Section 5.2</b>	<b>What can you do if your drug is not on the Drug List or if the drug is restricted in some way?</b>
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If your drug is not on the Drug List or is restricted, here are things you can do:

- You may be able to get a temporary supply of the drug (only members in certain situations can get a temporary supply) until you and your doctor decide it is okay to change to another drug, or while you file an exception.
- You can change to another drug.
- You can request an exception and ask the plan to cover the drug or remove restrictions from the drug covered.

### **You may be able to get a temporary supply**

Under certain circumstances, the plan can offer a temporary supply of a drug to you when your drug is not on the Drug List or when it is restricted in some way. Doing this gives you time to talk with your doctor about the change in coverage and figure out what to do.

To be eligible for a temporary supply, you must meet the two requirements below:

**1. The change to your drug coverage must be one of the following types of changes:**

- The drug you have been taking is **no longer on the plan's Drug List**.
- -- or -- the drug you have been taking is **now restricted in some way** (Section 4 in this chapter tells about restrictions).

**2. You must be in one of the situations described below:**

- **For those members who were in the plan last year:**

We will cover a temporary supply of your drug **one time only during the first (90 days) of the calendar year**. This temporary supply will be for a maximum of (*30-day supply*), or less if your prescription is written for fewer days. The prescription must be filled at a network pharmacy.

- **For those members who are new to the plan and aren't in a long-term care facility:**

We will cover a temporary supply of your drug **one time only during the first (90 days) of your membership** in the plan. This temporary supply will be for a maximum of (*30-day supply*), or less if your prescription is written for fewer days. The prescription must be filled at a network pharmacy.

- **For those who are new members, and are residents in a long-term care facility:**

We will cover a temporary supply of your drug **during the first 90 days of your membership** in the plan. The first supply will be for a maximum of (*31-day supply*), or less if your prescription is written for fewer days. If needed, we will cover additional refills during your first (*90 days*) in the Plan.

- **For those who have been a member of the Plan for more than 90 days, and are a resident of a long-term care facility and need a supply right away:**

We will cover one (*31-day*) supply, or less if your prescription is written for fewer days. This is in addition to the above long-term care transition supply.

- **For current members with a level of care change:**

A temporary supply will also be available to you if you should have a change in your treatment setting, such as going from a hospital to home care.

To ask for a temporary supply, call Customer Service (phone numbers are on the front cover).

During the time when you are getting a temporary supply of a drug, you should talk with your doctor or other prescriber to decide what to do when your temporary supply runs out. Perhaps there is a different drug covered by the plan that might work just as well for you. Or you and

your doctor can ask the plan to make an exception for you and cover the drug in the way you would like it to be covered. The sections below tell you more about these options.

### **You can change to another drug**

Start by talking with your doctor or other prescriber. Perhaps there is a different drug covered by the plan that might work just as well for you. You can call Customer Service to ask for a list of covered drugs that treat the same medical condition. This list can help your doctor to find a covered drug that might work for you.

### **You can file an exception**

You and your doctor or other prescriber can ask the plan to make an exception for you and cover the drug in the way you would like it to be covered. If your doctor or other prescriber says that you have medical reasons that justify asking us for an exception, your doctor or other prescriber can help you request an exception to the rule. For example, you can ask the plan to cover a drug even though it is not on the plan's Drug List. Or you can ask the plan to make an exception and cover the drug without restrictions.

If you and your doctor or other prescriber want to ask for an exception, Chapter 7 tells what to do. It explains the procedures and deadlines that have been set by Medicare to make sure your request is handled promptly and fairly.

<b>Section 5.3</b>	<b>What can you do if your drug is in a cost-sharing tier you think is too high?</b>
--------------------	--

If your drug is a cost-sharing tier you think is too high, here are things you can do:

### **You can change to another drug**

Start by talking with your doctor or other prescriber. Perhaps there is a different drug in a lower cost-sharing tier that might work just as well for you. You can call Customer Service to ask for a list of covered drugs that treat the same medical condition. This list can help your doctor or other prescriber to find a covered drug that might work for you.

### **You can file an exception**

You and your doctor or other prescriber can ask the plan to make an exception in the cost-sharing tier for the drug so that you pay less for the drug. If your doctor or other prescriber says that you have medical reasons that justify asking us for an exception, your doctor or other prescriber can help you request an exception to the rule.

If you and your doctor or other prescriber want to ask for an exception, Chapter 7 tells what to do. It explains the procedures and deadlines that have been set by Medicare to make sure your request is handled promptly and fairly.

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## **SECTION 6      What if your coverage changes for one of your drugs?**

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<b>Section 6.1      The Drug List can change during the year</b>
--

Most of the changes in drug coverage happen at the beginning of each year (January 1). However, during the year, the plan might make many kinds of changes to the Drug List. For example, the plan might:

- **Add or remove drugs from the Drug List.** New drugs become available, including new generic drugs. Perhaps the government has given approval to a new use for an existing drug. Sometimes, a drug gets recalled and we decide not to cover it. Or we might remove a drug from the list because it has been found to be ineffective.
- **Move a drug to a higher or lower cost-sharing tier**
- **Add or remove a restriction on coverage for a drug** (for more information about restrictions to coverage, see Section 4 in this chapter).
- **Replace a brand-name drug with a generic drug.**

In almost all cases, we must get approval from Medicare for changes we make to the plan's Drug List.

<b>Section 6.2      What happens if coverage changes for a drug you are taking?</b>
---

### **How will you find out if your drug's coverage has been changed?**

If there is a change to coverage *for a drug you are taking*, the plan will send you a notice to tell you. Normally, **we will let you know at least 60 days ahead of time.**

Once in a while, a drug is **suddenly recalled** because it's been found to be unsafe or for other reasons. If this happens, the plan will immediately remove the drug from the Drug List. We will let you know of this change right away. Your doctor will also know about this change, and can work with you to find another drug for your condition.

### **Do changes to your drug coverage affect you right away?**

If any of the following types of changes affect a drug you are taking, the change will not affect you until January 1 of the next year if you stay in the plan:

- If we move your drug into a higher cost-sharing tier.
- If we put a new restriction on your use of the drug.
- If we remove your drug from the Drug List, **but not because of a sudden recall or because a new generic drug has replaced it.**

If any of these changes happens for a drug you are taking, then the change won't affect your use or what you pay as your share of the cost until January 1 of the next year. Until that date, you probably won't see any increase in your payments or any added restriction to your use of the drug. However, on January 1 of the next year, the changes will affect you.

In some cases, you will be affected by the coverage change before January 1:

- If a **brand-name drug you are taking is replaced by a new generic drug**, the plan must give you at least 60 days' notice or give you a 60-day refill of your brand-name drug at a network pharmacy.
  - During this 60-day period, you should be working with your doctor to switch to the generic or to a different drug that we cover.
  - Or you and your doctor or other prescriber can ask the plan to make an exception and continue to cover the brand-name drug for you. For information on how to ask for an exception, see Chapter 7 (*What to do if you have a problem or complaint*).
- Again, if a drug is **suddenly recalled** because it's been found to be unsafe or for other reasons, the plan will immediately remove the drug from the Drug List. We will let you know of this change right away.
  - Your doctor or other prescriber will also know about this change, and can work with you to find another drug for your condition.

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## **SECTION 7      What types of drugs are *not* covered by the Plan?**

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<b>Section 7.1      Types of drugs we do not cover</b>
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This section tells you what kinds of prescription drugs are “excluded.” Excluded means that the plan doesn't cover these types of drugs because the law doesn't allow any Medicare drug plan to cover them.

If you get drugs that are excluded, you must pay for them yourself. We won't pay for the drugs that are listed in this section (unless our Plan covers certain excluded drugs). The only exception: If the requested drug is found upon appeal to be a drug that is not excluded under Part D and we should have paid for or covered because of your specific situation. (For information about appealing a decision we have made to not cover a drug, go to Chapter 9 in this booklet.)

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Here are three general rules about drugs that Medicare drug plans will not cover under Part D:

- Our Plan's Part D drug coverage cannot cover a drug that would be covered under Medicare Part A or Part B.
- Our Plan cannot cover a drug purchased outside the United States and its territories.
- "Off-label use" is any use of the drug other than those indicated on a drug's label as approved by the Food and Drug Administration.
  - Sometimes "off-label use" is allowed. Medicare sometimes allows us to cover "off-label uses" of a prescription drug. Coverage is allowed only when the use is supported by certain reference books. These reference books are the American Hospital Formulary Service Drug Information, the DRUGDEX Information System, and the USPDI or its successor. If the use is not supported by any of these reference books, then our Plan cannot cover its "off-label use."

Also, by law, these categories of drugs are not covered by Medicare drug plans unless we offer enhanced drug coverage, for which you may be charged additional premium:

- Non-prescription drugs (also called over-the-counter drugs)
- Drugs when used to promote fertility
- Drugs when used for the relief of cough or cold symptoms
- Drugs when used for cosmetic purposes or to promote hair growth
- Prescription vitamins and mineral products, except prenatal vitamins and fluoride preparations
- Drugs when used for the treatment of sexual or erectile dysfunction, such as Viagra, Cialis, Levitra, and Caverject
- Drugs when used for treatment of anorexia, weight loss, or weight gain
- Outpatient drugs for which the manufacturer seeks to require that associated tests or monitoring services be purchased exclusively from the manufacturer as a condition of sale
- Barbiturates and Benzodiazepines

**If you receive extra help paying for your drugs**, your state Medicaid program may cover some prescription drugs not normally covered in a Medicare drug plan. Please contact your state Medicaid program to determine what drug coverage may be available to you.

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## **SECTION 8      Show your plan membership card when you fill a prescription**

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<b>Section 8.1      Show your membership card</b>
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To fill your prescription, show your plan membership card at the network pharmacy you choose. When you show your plan membership card, the network pharmacy will automatically bill the plan for *our* share of your covered prescription drug cost. You will need to pay the pharmacy *your* share of the cost when you pick up your prescription.

<b>Section 8.2      What if you don't have your membership card with you?</b>
---

If you don't have your plan membership card with you when you fill your prescription, ask the pharmacy to call the plan to get the necessary information.

If the pharmacy is not able to get the necessary information, **you may have to pay the full cost of the prescription when you pick it up.** (You can then **ask us to reimburse you** for our share. See Chapter 5, Section 2.1 for information about how to ask the plan for reimbursement.)

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## **SECTION 9      Part D drug coverage in special situations**

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<b>Section 9.1      What if you're in a hospital or a skilled nursing facility for a stay that is covered by the plan?</b>
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If you are **admitted to a hospital** for a stay covered by Original Medicare, Medicare Part A will generally cover the cost of your prescription drugs during your stay. Once you leave the hospital, our plan will cover your drugs as long as the drugs meet all of our rules for coverage. See the previous parts of this chapter that tell about the rules for getting drug coverage.

If you are **admitted to a skilled nursing facility** for a stay covered by Original Medicare, Medicare Part A will generally cover your prescription drugs during all or part of your stay. If you are still in the skilled nursing facility, and Part A is no longer covering your drugs, our Plan will cover your drugs as long as the drugs meet all of our rules for coverage. See the previous parts of this chapter that tell about the rules for getting drug coverage.

**Please Note:** When you enter, live in, or leave a skilled nursing facility, you are entitled to a special enrollment period. During this time period, you can switch plans or change your coverage at any time. (Chapter 8, *Ending your membership in the plan*, tells you can leave our Plan and join a different Medicare plan.)

## **Section 9.2      What if you're a resident in a long-term care facility?**

Usually, a long-term care facility (such as a nursing home) has its own pharmacy, or a pharmacy that supplies drugs for all of its residents. If you are a resident of a long-term care facility, you may get your prescription drugs through the facility's pharmacy as long as it is part of our network.

Check your *Pharmacy Directory* to find out if your long-term care facility's pharmacy is part of our network. If it isn't, or if you need more information, please contact Customer Service.

### **What if you're a resident in a long-term care facility and become a new member of the plan?**

If you need a drug that is not on our Drug List or is restricted in some way, the plan will cover a **temporary supply** of your drug during the first (*90 days*) of your membership. The first supply will be for a maximum of (*31 day supply*), or less if your prescription is written for fewer days. If needed, we will cover additional refills during your first (*90 days*) in the plan.

If you have been a member of the plan for more than (*90 days*) and need a drug that is not on our Drug List or if the plan has any restriction on the drug's coverage, we will cover one (*31day supply*) or less if your prescription is written for fewer days.

During the time when you are getting a temporary supply of a drug, you should talk with your doctor or other prescriber to decide what to do when your temporary supply runs out. Perhaps there is a different drug covered by the plan that might work just as well for you. Or you and your doctor can ask the plan to make an exception for you and cover the drug in the way you would like it to be covered. If you and your doctor want to ask for an exception, Chapter 7 tells what to do.

## **Section 9.3      What if you are taking drugs covered by Original Medicare?**

Your enrollment in our Plan doesn't affect your coverage for drugs covered under Medicare Part A or Part B. If you meet Medicare's coverage requirements, your drug will still be covered under Medicare Part A or Part B, even though you are enrolled this plan. In addition, if your drug would be covered by Medicare Part A or Part B, our Plan can't cover it, even if you choose not to enroll in Part A or Part B.

Some drugs may be covered under Medicare Part B in some situations and through our Plan in other situations. But drugs are never covered by both Part B and our Plan at the same time. In general, your pharmacist or provider will determine whether to bill Medicare Part B or our Plan for the drug.

**Section 9.4      What if you have a Medigap (Medicare Supplement Insurance) policy with prescription drug coverage?**

If you currently have a Medigap policy that includes coverage for prescription drugs, you must contact your Medigap issuer and tell them you have enrolled in our Plan. If you decide to keep your current Medigap policy, your Medigap issuer will remove the prescription drug coverage portion of your Medigap policy and lower your premium.

Each year your Medigap insurance company should send you a notice by November 15 that tells if your prescription drug coverage is “creditable,” and the choices you have for drug coverage. (If the coverage from the Medigap policy is “**creditable**,” it means that it has drug coverage that pays, on average, at least as much as Medicare’s standard drug coverage.) The notice will also explain how much your premium would be lowered if you remove the prescription drug coverage portion of your Medigap policy. If you didn’t get this notice, or if you can’t find it, contact your Medicare insurance company and ask for another copy.

**Section 9.5      What if you’re also getting drug coverage from an employer or retiree group plan?**

Do you currently have other prescription drug coverage through your (or your spouse’s) employer or retiree group? If so, please contact **that group’s benefits administrator**. He or she can help you determine how your current prescription drug coverage will work with our Plan.

In general, if you are currently employed, the prescription drug coverage you get from us will be *secondary* to your employer or retiree group coverage. That means your group coverage would pay first.

**Special note about ‘creditable coverage’:**

Each year your employer or retiree group should send you a notice by November 15 that tells if your prescription drug coverage for the next calendar year is “creditable” and the choices you have for drug coverage.

If the coverage from the group plan is “**creditable**,” it means that it has drug coverage that pays, on average, at least as much as Medicare’s standard drug coverage.

**Keep these notices about creditable coverage**, because you may need them later. If you enroll in a Medicare plan that includes Part D drug coverage, you may need these notices to show that you have maintained creditable coverage. If you didn’t get a notice about creditable coverage from your employer or retiree group plan, you can get a copy from the employer or retiree group’s benefits administrator or the employer or union.

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## **SECTION 10 Programs on drug safety and managing medications**

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<b>Section 10.1 Programs to help members use drugs safely</b>
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We conduct drug use reviews for our members to help make sure that they are getting safe and appropriate care. These reviews are especially important for members who have more than one provider who prescribes their drugs.

We do a review each time you fill a prescription. We also review our records on a regular basis. During these reviews, we look for potential problems such as:

- Possible medication errors.
- Drugs that may not be necessary because you are taking another drug to treat the same medical condition.
- Drugs that may not be safe or appropriate because of your age or gender.
- Certain combinations of drugs that could harm you if taken at the same time.
- Prescriptions written for drugs that have ingredients you are allergic to.
- Possible errors in the amount (dosage) of a drug you are taking.

If we see a possible problem in your use of medications, we will work with your doctor to correct the problem.

<b>Section 10.2 Programs to help members manage their medications</b>
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We have programs that can help our members with special situations. For example, some members have several complex medical conditions or they may need to take many drugs at the same time, or they could have very high drug costs.

These programs are voluntary and free to members. A team of pharmacists and doctors developed the programs for us. The programs can help make sure that our members are using the drugs that work best to treat their medical conditions and help us identify possible medication errors.

If we have a program that fits your needs, we will automatically enroll you in the program and send you information. If you decide not to participate, please notify us and we will withdraw your participation in the program.

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## **Chapter 4. What you pay for your Part D prescription drugs**

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### **Did you know there are programs to help people pay for their drugs?**

There are programs to help people with limited resources pay for their drugs. These include “Extra Help” and State Pharmaceutical Assistance Programs. For more information, see Chapter 2, Section 7.

### **Are you currently getting help to pay for your drugs?**

If you are in a program that helps pay for your drugs, **some information in this *Evidence of Coverage* may not apply to you.** We have included a separate insert, called the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider), that tells you about your drug coverage. If you don’t have this insert, please call Customer Service and ask for the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider). Phone numbers for Customer Service are on the front cover.

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## **SECTION 1 Introduction**

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<b>Section 1.1</b>	<b>Use this chapter together with other materials that explain your drug coverage</b>
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This chapter focuses on what you pay for your Part D prescription drugs. To keep things simple, we use “drug” in this chapter to mean a Part D prescription drug. As explained in Chapter 3, some drugs are covered under Original Medicare or are excluded by law.

To understand the payment information we give you in this chapter, you need to know the basics of what drugs are covered, where to fill your prescriptions, and what rules to follow when you get your covered drugs. Here are materials that explain these basics:

- **The plan’s *List of Covered Drugs (Formulary)*.** To keep things simple, we call this the “Drug List.”
  - This Drug List tells which drugs are covered for you.
  - It also tells which of the four “cost-sharing tiers” the drug is in and whether there are any restrictions on your coverage for the drug.
  - If you need a copy of the Drug List, call Customer Service (phone numbers are on the cover of this booklet). You can also find the Drug List on our website at [www.horizonblue.com/medicare](http://www.horizonblue.com/medicare). The Drug List on the website is always the most current.

- **Chapter 3 of this booklet.** Chapter 3 gives the details about your prescription drug coverage, including rules you need to follow when you get your covered drugs. Chapter 3 also tells which types of prescription drugs are not covered by our Plan.
- **The plan's *Pharmacy Directory*.** In most situations you must use a network pharmacy to get your covered drugs (see Chapter 3 for the details). The *Pharmacy Directory* has a list of pharmacies in the plan's network and it tells how you can use the plan's mail-order service to get certain types of drugs. It also explains how you can get a long-term supply of a drug (such as filling a prescription for a three month's supply).

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## **SECTION 2      What you pay for a drug depends on which “drug payment stage” you are in when you get the drug**

---

<b>Section 2.1      What are the four drug payment stages?</b>
--

As shown in the tables below, there are four “drug payment stages” for your prescription drug coverage. How much you pay for a drug depends on which of these stages you are in at the time you get a prescription filled or refilled. Keep in mind you are always responsible for the plan's monthly premium regardless of the drug payment stage.

Horizon Medicare Blue Rx Standard

<p><b>Stage 1</b> <i>Yearly Deductible Stage</i></p>	<p><b>Stage 2</b> <i>Initial Coverage Stage</i></p>	<p><b>Stage 3</b> <i>Coverage Gap Stage</i></p>	<p><b>Stage 4</b> <i>Catastrophic Coverage Stage</i></p>
<p>You begin in this payment stage when you fill your first prescription of the year.</p> <p>During this stage <b>you pay the full cost</b> of your drugs.</p> <p>You stay in this stage until you have paid \$310.00 for your drugs (\$310.00 is the amount of your deductible).</p> <p>(Details are in Section 4 of this chapter.)</p>	<p>The plan pays its share of the cost of your drugs and <b>you pay your share of the cost.</b></p> <p>You stay in this stage until your payments for the year plus the plan’s payments total \$2,830.00.</p> <p>(Details are in Section 5 of this chapter.)</p>	<p><b>You pay the full cost</b> of your drugs.</p> <p>You stay in this stage until your “out-of-pocket costs” reach a total of \$4,550.00. This amount and rules for counting costs toward this amount have been set by Medicare.</p> <p>(Details are in Section 6 of this chapter.)</p>	<p>Once you have paid enough for your drugs to move on to this last payment stage, <b>the plan will pay most of the cost</b> of your drugs for the rest of the year.</p> <p>(Details are in Section 7 of this chapter.)</p>

Horizon Medicare Blue Rx Enhanced

<b>Stage 1</b> <i>Yearly Deductible Stage</i>	<b>Stage 2</b> <i>Initial Coverage Stage</i>	<b>Stage 3</b> <i>Coverage Gap Stage</i>	<b>Stage 4</b> <i>Catastrophic Coverage Stage</i>
<p>You begin in this payment stage when you fill your first prescription of the year.</p> <p>During this stage <b>you pay \$0.00 deductible.</b></p>	<p>The plan pays its share of the cost of your drugs and <b>you pay your share of the cost.</b></p> <p>You stay in this stage until your payments for the year plus the plan’s payments total \$2,830.00.</p> <p>(Details are in Section 5 of this chapter.)</p>	<p>The plan will provide limited coverage during the coverage gap stage.</p> <p>You stay in this stage until your “out-of-pocket costs” reach a total of \$4,550.00. This amount and rules for counting costs toward this amount have been set by Medicare.</p> <p>(Details are in Section 6 of this chapter.)</p>	<p>Once you have paid enough for your drugs to move on to this last payment stage, <b>the plan will pay most of the cost</b> of your drugs for the rest of the year.</p> <p>(Details are in Section 7 of this chapter.)</p>

As shown in this summary of the four payment stages, whether you move on to the next payment stage depends on how much **you and/or the plan spends** for your drugs while you are in each stage.

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**SECTION 3 We send you reports that explain payments for your drugs and which payment stage you are in**

---

**Section 3.1 We send you a monthly report called the “Explanation of Benefits”**

Our Plan keeps track of the costs of your prescription drugs and the payments you have made when you get your prescriptions filled or refilled at the pharmacy. This way, we can tell you when you have moved from one drug payment stage to the next. In particular, there are two types of costs we keep track of:

- We keep track of how much you have paid. This is called your “**out-of-pocket**” cost.

- We keep track of your “**total drug costs.**” This is the amount you pay out-of-pocket or others pay on your behalf plus the amount paid by the plan.

Our Plan will prepare a written report called the *Explanation of Benefits* (it is sometimes called the “EOB”) when you have had one or more prescriptions filled. It includes:

- **Information for that month.** This report gives the payment details about the prescriptions you have filled during the previous month. It shows the total drug costs, what the plan paid, and what you and others on your behalf paid.
- **Totals for the year since January 1.** This is called “year-to-date” information. It shows you the total drug costs and total payments for your drugs since the year began.

<b>Section 3.2</b>	<b>Help us keep our information about your drug payments up to date</b>
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To keep track of your drug costs and the payments you make for drugs, we use records we get from pharmacies. Here is how you can help us keep your information correct and up to date:

- **Show your membership card when you get a prescription filled.** To make sure we know about the prescriptions you are filling and what you are paying, show your plan membership card every time you get a prescription filled.
- **Make sure we have the information we need.** There are times you may pay for prescription drugs when we will not automatically get the information we need. To help us keep track of your out-of-pocket costs, you may give us copies of receipts for drugs that you have purchased. (If you are billed for a covered drug, you can ask our Plan to pay our share of the cost. For instructions on how to do this, go to Chapter 5, Section 2 of this booklet.) Here are some types of situations when you may want to give us copies of your drug receipts to be sure we have a complete record of what you have spent for your drugs:
  - When you purchase a covered drug at a network pharmacy at a special price or using a discount card that is not part of our Plan’s benefit.
  - When you made a copayment for drugs that are provided under a drug manufacturer patient assistance program.
  - Any time you have purchased covered drugs at out-of-network pharmacies or other times you have paid the full price for a covered drug under special circumstances.

**Check the written report we send you.** When you receive an *Explanation of Benefits* in the mail, please look it over to be sure the information is complete and correct. If you think something is missing from the report, or you have any questions, please call us at Customer Service (phone numbers are on the cover of this booklet). Be sure to keep these reports. They are an important record of your drug expenses.

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**Please note: Deductible Sections apply to Horizon Medicare Blue Rx Standard Only**

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## **SECTION 4      During the Deductible Stage, you pay the full cost of your drugs**

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<b>Section 4.1      You stay in the Deductible Stage until you have paid \$310.00 for your drugs.</b>
---

The Deductible Stage is the first payment stage for your drug coverage. This stage begins when you fill your first prescription in the year. When you are in this payment stage, **you must pay the full cost of your drugs** until you reach the plan’s deductible amount, which for \$310.00 for 2010.

- Your **“full cost”** is usually lower than the normal full price of the drug, since our Plan has negotiated lower costs for most drugs.
- The **“deductible”** is the amount you must pay for your Part D prescription drugs before the plan begins to pay its share.

Once you have paid \$310.00 for your drugs, you leave the Deductible Stage and move on to the next drug payment stage, which is the Initial Coverage Stage.

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## **SECTION 5      During the Initial Coverage Stage, the plan pays its share of your drug costs and you pay your share**

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<b>Section 5.1      What you pay for a drug depends on the drug and where you fill your prescription</b>
--

During the Initial Coverage Stage, the plan pays its share of the cost of your covered prescription drugs, and you pay your share. Your share of the cost will vary depending on the drug and where you fill your prescription.

### **The plan has four Cost-Sharing Tiers**

Every drug on the plan’s Drug List is in one of four cost-sharing tiers. In general, the higher the cost-sharing tier number, the higher your cost for the drug:

- ***Tier One: Preferred Generic Drugs (lowest copay)***  
Approved by the U.S. Food and Drug Administration, generic drugs contain the same active ingredients as brand-name medications. Generics are chemically and therapeutically equivalent to brand drugs, but are available at a lower price.

- ***Tier Two: Preferred Brand Drugs (middle copay)***  
These brand-name drugs have been identified as the most therapeutically safe and effective options for treatment of most medical conditions. These drugs do not have less-costly generic equivalents because they are sold under a trademarked name.
- ***Tier Three: Non-Preferred Brand and Generic Drugs (highest copay)***  
These products often have either a generic equivalent or a preferred-brand drug alternative.
- ***Tier Four: Specialty Drugs (co-insurance)***

To find out which cost-sharing tier your drug is in, look it up in the plan's *Drug List*.

### **Your pharmacy choices**

How much you pay for a drug depends on whether you get the drug from:

- A retail pharmacy that is in our Plan's network
- A pharmacy that is not in the plan's network
- The plan's mail-order pharmacy

For more information about these pharmacy choices and filling your prescriptions, see Chapter 3 in this booklet and the plan's *Pharmacy Directory*.

### **Section 5.2 A table that shows your costs for a 30-day supply of a drug**

During the Initial Coverage Stage, your share of the cost of a covered drug will be either a copayment or coinsurance.

- **“Copayment”** means that you pay a fixed amount each time you fill a prescription.
- **“Coinsurance”** means that you pay a percent of the total cost of the drug each time you fill a prescription.

As shown in the table below, the amount of the copayment or coinsurance depends on which tier your drug is in.

The chart lists information for more than one of our Plans. The name of the plan you are in is listed on the front page of this booklet. If you aren't sure which plan you are in or if you have any questions, call Customer Service.

**Your share of the cost when you get a 30-day supply (or less) of a covered Part D prescription drug from:**

	<b>Network pharmacy</b>	<b>The plan's mail-order service</b>	<b>Network long-term care pharmacy</b>	<b>Out-of-network pharmacy</b> (coverage is limited to certain situations; see Chapter 3 for details)
<b>Cost-Sharing Tier 1</b> (Generic Co-Payment)				
Horizon Medicare Blue Rx Standard	\$8	*N/A	\$8	\$8
Horizon Medicare Blue Rx Enhanced	\$8	*N/A	\$8	\$8
<b>Cost-Sharing Tier 2</b> (Preferred Co-Payment)				
Horizon Medicare Blue Rx Standard	\$36	*N/A	\$36	\$36
Horizon Medicare Blue Rx Enhanced	\$36	*N/A	\$36	\$36
<b>Cost-Sharing Tier 3</b> (Non-Preferred Co-Payment)				
Horizon Medicare Blue Rx Standard	\$72	*N/A	\$72	\$72
Horizon Medicare Blue Rx Enhanced	\$72	*N/A	\$72	\$72
<b>Cost-Sharing Tier 4</b> (Specialty Drugs/Self-Injectables)				
Horizon Medicare Blue Rx Standard	25%	*N/A	25%	25%
Horizon Medicare Blue Rx Enhanced	33%	*N/A	33%	33%

\* 30 Day Supply Not Available. Please see the Chart in Section 5.3

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<b>Section 5.3</b>	<b>A table that shows your costs for a long-term 90 supply of a drug</b>
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For some drugs, you can get a long-term supply (also called an “extended supply”) when you fill your prescription. This can be up to a *90 day* supply. (For details on where and how to get a long-term supply of a drug, see Chapter 3.)

The table below shows what you pay when you get a long-term *90* supply of a drug.

The chart lists information for more than one of our Plans. The name of the plan you are in is listed on the front page of this booklet. If you aren’t sure which plan you are in or if you have any questions, call Customer Service.

**Your share of the cost when you get a long-term 90 day supply of a covered Part D prescription drug from:**

	<b>Network pharmacy</b>	<b>The plan's mail-order service</b>
<b>Cost-Sharing Tier 1</b> (Generic Co-Payment)		
Horizon Medicare Blue Rx Standard	\$24	\$12
Horizon Medicare Blue Rx Enhanced	\$24	\$12
<b>Cost-Sharing Tier 2</b> (Preferred Co-Payment)		
Horizon Medicare Blue Rx Standard	\$108	\$108
Horizon Medicare Blue Rx Enhanced	\$108	\$108
<b>Cost-Sharing Tier 3</b> (Non-Preferred Co-Payment)		
Horizon Medicare Blue Rx Standard	\$216	\$216
Horizon Medicare Blue Rx Enhanced	\$216	\$216
<b>Cost-Sharing Tier 4</b> (Specialty Drugs/Self-Injectables)		
Horizon Medicare Blue Rx Standard	25%	25%
Horizon Medicare Blue Rx Enhanced	33%	33%

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<b>Section 5.4</b>	<b>You stay in the Initial Coverage Stage until your total drug costs for the year reach \$2830.00</b>
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You stay in the Initial Coverage Stage until the total amount for the prescription drugs you have filled and refilled reaches the **\$2,830.00 limit for the Initial Coverage Stage**.

Your total drug cost is based on adding together what you have paid and what the plan has paid:

- **What you have paid** for all the covered drugs you have gotten since you started with your first drug purchase of the year. (see Section 6.2 for more information about how Medicare calculates your out-of-pocket costs) This includes:
  - The \$310.00 (Horizon Medicare Blue Rx Standard) you paid when you were in the Deductible Stage.
  - The total you paid as your share of the cost for your drugs during the Initial Coverage Stage.
- **What the plan has paid** as its share of the cost for your drugs during the Initial Coverage Stage.

The *Explanation of Benefits* that we send to you will help you keep track of how much you and the plan have spent for your drugs during the year. Many people do not reach the \$2,830.00 limit in a year.

We will let you know if you reach this \$2,830.00 amount. If you do reach this amount, you will leave the Initial Coverage Stage and move on to Coverage Gap Stage.

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<b>SECTION 6</b>	<b>During the Coverage Gap Stage, you pay the full cost of your drugs <i>OR</i> the plan provides limited drug coverage.</b>
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<b>Section 6.1</b>	<b>You stay in the Coverage Gap Stage until your out-of-pocket costs reach \$4,550.00</b>
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Once your total out-of-pocket costs reach \$4,550.00, you will qualify for catastrophic coverage.

#### Horizon Medicare Blue Rx Standard

When you are in the Coverage Gap Stage, you pay the full cost for your drugs. (Your full cost is usually lower than the normal full price of the drug, since our Plan has negotiated lower costs for most drugs.) You continue paying the full cost until your yearly out-of-pocket payments reach a maximum amount that Medicare has set. In 2010, that amount is \$4,550.00

#### Horizon Medicare Blue Rx Enhanced

After you leave the Initial Coverage Stage, we will continue to provide some prescription drug

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coverage until your yearly out-of-pocket costs reach a maximum amount that Medicare has set. In 2010, that amount is \$4,550.00.

The plan covers all generics (100% of formulary generic drugs) through the coverage gap.

Medicare has rules about what counts and what does *not* count as your out-of-pocket costs. When you reach an out-of-pocket limit of \$4,550.00, you leave the Coverage Gap and move on to the Catastrophic Coverage Stage.

<b>Section 6.2</b>	<b>How Medicare calculates your out-of-pocket costs for prescription drugs</b>
--------------------	--

Here are Medicare's rules that we must follow when we keep track of your out-of-pocket costs for your drugs.

*These payments **are included** in your out-of-pocket costs*

*When you add up your out-of-pocket costs, **you can include** the payments listed below (as long as they are for Part D covered drugs and you followed the rules for drug coverage that are explained in Chapter 5 of this booklet):*

- The amount you pay for drugs when you are in any of the following drug payment stages:
  - The Deductible Stage.
  - The Initial Coverage Stage.
  - The Coverage Gap Stage.
- Any payments you made during this calendar year under another Medicare prescription drug plan before you joined our Plan.

**It matters who pays:**

- If you make these payments **yourself**, they are included in your out-of-pocket costs.
- These payments are *also included* if they are made on your behalf by **certain other individuals or organizations**. This includes payments for your drugs made by a friend or relative, by most charities, or by a State Pharmaceutical Assistance Program that is qualified by Medicare. Payments made by “Extra Help” from Medicare are also included.

***Moving on to the Catastrophic Coverage Stage:***

*When you (or those paying on your behalf) have spent a total of \$4,550.00 in out-of-pocket costs within the calendar year, you will move from the Coverage Gap Stage to the Catastrophic Coverage Stage.*

*These payments are **not included** in your out-of-pocket costs*

When you add up your out-of-pocket costs, you are **not allowed to include** any of these types of payments for prescription drugs:

- The amount you pay for your monthly premium.
- Drugs you buy outside the United States and its territories.
- Drugs that are not covered by our Plan.
- Drugs you get at an out-of-network pharmacy that do not meet the plan's requirements for out-of-network coverage.
- Non-Part D drugs, including prescription drugs covered by Part A or Part B and other drugs excluded from coverage by Medicare.
- Payments for your drugs that are made by group health plans including employer health plans.
- Payments for your drugs that are made by insurance plans and government-funded health programs such as TRICARE, the Veteran's Administration, the Indian Health Service, or AIDS Drug Assistance Programs.
- Payments for your drugs made by a third-party with a legal obligation to pay for prescription costs (for example, Worker's Compensation).

*Reminder:* If any other organization such as the ones listed above pays part or all of your out-of-pocket costs for drugs, you are required to tell our Plan. Call Customer Service to let us know (phone numbers are on the cover of this booklet).

### ***How can you keep track of your out-of-pocket total?***

- **We will help you.** The *Explanation of Benefits* report we send to you includes the current amount of your out-of-pocket costs (Section 3 above tells about this report). When you reach a total of \$4,550.00 in out-of-pocket costs for the year, this report will tell you that you have left the Coverage Gap Stage and have moved on to the Catastrophic Coverage Stage.
- **Make sure we have the information we need.** Section 3 above tells what you can do to help make sure that our records of what you have spent are complete and up to date.

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## **SECTION 7      During the Catastrophic Coverage Stage, the plan pays most of the cost for your drugs**

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<b>Section 7.1      Once you are in the Catastrophic Coverage Stage, you will stay in this stage for the rest of the year</b>
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You qualify for the Catastrophic Coverage Stage when your out-of-pocket costs have reached the \$4,550.00 limit for the calendar year. Once you are in the Catastrophic Coverage Stage, you will stay in this payment stage until the end of the calendar year.

During this stage, the plan will pay most of the cost for your drugs.

- **Your share** of the cost for a covered drug will be either coinsurance or a copayment, whichever is the *larger* amount:
  - *–either–* coinsurance of 5% of the cost of the drug
  - *–or–* \$2.50 copayment for a generic drug or a drug that is treated like a generic. Or a \$6.30 copayment for all other drugs.
- **Our Plan pays the rest** of the cost.

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## **SECTION 8      What you pay for vaccinations depends on how and where you get them**

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<b>Section 8.1      Our Plan has separate coverage for the vaccine medication itself and for the cost of giving you the vaccination shot</b>
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Our Plan provides coverage of a number of vaccines. There are two parts to our coverage of vaccinations:

- The first part of coverage is the cost of **the vaccine medication itself**. The vaccine is a prescription medication.
- The second part of coverage is for the cost of **giving you the vaccination shot**. (This is sometimes called the “administration” of the vaccine.)

### **What do you pay for a vaccination?**

What you pay for a vaccination depends on three things:

1. **The type of vaccine** (what you are being vaccinated for).
  - Some vaccines are considered Part D drugs. You can find these vaccines listed in the plan’s *List of Covered Drugs*.

**2. Where you get the vaccine medication.**

**3. Who gives you the vaccination shot.**

What you pay at the time you get the vaccination can vary depending on the circumstances. For example:

- Sometimes when you get your vaccination shot, you will have to pay the entire cost for both the vaccine medication and for getting the vaccination shot. You can ask our Plan to pay you back for our share of the cost.
- Other times, when you get the vaccine medication or the vaccination shot, you will pay only your share of the cost.

To show how this works, here are three common ways you might get a vaccination shot. Remember you are responsible for all of the costs associated with vaccines (including their administration) during the Deductible and Coverage Gap Stage of your benefit.

*Situation 1:* You buy the vaccine at the pharmacy and you get your vaccination shot at the network pharmacy. (Whether you have this choice depends on where you live. Some states do not allow pharmacies to administer a vaccination.)

- You will have to pay the pharmacy the amount of your copayment for the vaccine and administration of the vaccine.

*Situation 2:* You get the vaccination at your doctor's office.

- When you get the vaccination, you will pay for the entire cost of the vaccine and its administration.
- You can then ask our Plan to pay our share of the cost by using the procedures that are described in Chapter 5 of this booklet (*Asking the plan to pay its share of a bill you have received for medical services or drugs*).
- You will be reimbursed the amount you paid less your normal copayment for the vaccine (including administration) less any difference between the amount the doctor charges and what we normally pay. (If you are in Extra Help, we will reimburse you for this difference.)

*Situation 3:* You buy the vaccine at your pharmacy, and then take it to your doctor's office where they give you the vaccination shot.

- You will have to pay the pharmacy the amount of your copayment for the vaccine itself.
- When your doctor gives you the vaccination shot, you will pay the entire cost for this service. You can then ask our Plan to pay our share

of the cost by using the procedures described in Chapter 5 of this booklet.

- You will be reimbursed the amount charged by the doctor less the amount for administering the vaccine less any difference between the amount the doctor charges and what we normally pay. (If you are in Extra Help, we will reimburse you for this difference.)

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<b>Section 8.2</b>	<b>You may want to call us at Customer Service before you get a vaccination</b>
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The rules for coverage of vaccinations are complicated. We are here to help. We recommend that you call us first at Customer Service whenever you are planning to get a vaccination (phone numbers are on the cover of this booklet).

- We can tell you about how your vaccination is covered by our Plan and explain your share of the cost.
- We can tell you how to keep your own cost down by using providers and pharmacies in our network.
- If you are not able to use a network provider and pharmacy, we can tell you what you need to do to get payment from us for our share of the cost.

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<b>SECTION 9</b>	<b>Do you have to pay the Part D “late enrollment penalty”?</b>
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<b>Section 9.1</b>	<b>What is the Part D “late enrollment penalty”?</b>
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You may pay a financial penalty if you did not enroll in a plan offering Medicare Part D drug coverage when you first became eligible for this drug coverage or you experienced a continuous period of 63 days or more when you didn’t keep your prescription drug coverage. The amount of the penalty depends on how long you waited before you enrolled in drug coverage after you became eligible or how many months after 63 days you went without drug coverage.

The penalty is added to your monthly premium. (Members who choose to pay their premium every three months will have the penalty added to their three-month premium.) When you first enroll in our Plan, we let you know the amount of the penalty.

<b>Section 9.2</b>	<b>How much is the Part D late enrollment penalty?</b>
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Medicare determines the amount of the penalty. Here is how it works:

- First count the number of full months that you delayed enrolling in a Medicare drug plan, after you were eligible to enroll. Or count the number of full months in which you did not have credible prescription drug coverage, if the break in coverage was 63 days or more. The penalty is 1% for every month that you didn't have creditable coverage. For our example, let's say it is 14 months without coverage, which will be 14%.
- Then Medicare determines the amount of the average monthly premium for Medicare drug plans in the nation from the previous year. For 2010, this average premium amount is \$31.94.
- You multiply together the two numbers to get your monthly penalty and round it to the nearest 10 cents. In the example here it would be 14% times \$31.94, which equals \$4.471 which rounds to \$4.47. This amount would be added **to the monthly premium for someone with a late enrollment penalty.**

There are three important things to note about this monthly premium penalty:

- First, **the penalty may change each year**, because the average monthly premium can change each year. If the national average premium (as determined by Medicare) increases, your penalty will increase.
- Second, **you will continue to pay a penalty** every month for as long as you are enrolled in a plan that has Medicare Part D drug benefits.
- Third, if you are under 65 and currently receiving Medicare benefits, the late enrollment penalty will reset when you turn 65. After age 65, your late enrollment penalty will be based only on the months that you don't have coverage after your initial enrollment period for Medicare.

If you are eligible for Medicare and are under 65, any late enrollment penalty you are paying will be eliminated when you attain age 65. After age 65, your late enrollment penalty is based only on the months you do not have coverage after your Age 65 Initial Enrollment Period.

<b>Section 9.3</b>	<b>In some situations, you can enroll late and not have to pay the penalty</b>
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Even if you have delayed enrolling in a plan offering Medicare Part D coverage when you were first eligible, sometimes you do not have to pay the late enrollment penalty.

**You will not have to pay a premium penalty for late enrollment if you are in any of these situations:**

- You already have prescription drug coverage at least as good as Medicare's standard drug coverage. Medicare calls this "**creditable drug coverage.**" Creditable coverage could include drug coverage from a former employer or union, TRICARE, or the Department of Veterans Affairs. Speak with your insurer or your human resources department to find out if your current drug coverage is as at least as good as Medicare's.

- 
- If you were without creditable coverage, you can avoid paying the late enrollment penalty if you were without it for less than 63 days in a row.
  - If you didn't receive enough information to know whether or not your previous drug coverage was creditable.
  - You lived in an area affected by Hurricane Katrina at the time of the hurricane (August 2005) – *and* – you signed up for a Medicare prescription drug plan by December 31, 2006 – *and* – you have stayed in a Medicare prescription drug plan.
  - You are receiving Extra Help from Medicare.

<b>Section 9.4</b>	<b>What can you do if you disagree about your late enrollment penalty?</b>
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If you disagree about your late enrollment penalty, you can ask us to review the decision about your late enrollment penalty. Call Customer Service at the number on the front of this booklet to find out more about how to do this.

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## **Chapter 5. Asking the plan to pay its share of the costs for covered drugs**

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## **SECTION 1      Situations in which you should ask our Plan to pay our share of the cost of your covered drugs**

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<b>Section 1.1      If you pay our Plan's share of the cost of your covered drugs, you can ask us for payment</b>
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Sometimes when you get a prescription drug, you may need to pay the full cost right away. Other times, you may find that you have paid more than you expected under the coverage rules of the plan. In either case, you can ask our Plan to pay you back (paying you back is often called “reimbursing” you). Asking for reimbursement in the first three examples below are types of coverage decisions (for more information about coverage decisions, go to Chapter 7 of this booklet).

Here are examples of situations in which you may need to ask our Plan to pay you back:

### **1. When you use an out-of-network pharmacy to get a prescription filled**

If you go to an out-of-network pharmacy and try to use your membership card to fill a prescription, the pharmacy may not be able to submit the claim directly to us. When that happens, you will have to pay the full cost of your prescription.

- Save your receipt and send a copy to us when you ask us to pay you back for our share of the cost.

### **2. When you pay the full cost for a prescription because you don't have your plan membership card with you**

If you do not have your plan membership card with you when you fill a prescription at a network pharmacy, you may need to pay the full cost of the prescription yourself. The pharmacy can usually call the plan to get your member information, but there may be times when you may need to pay if you do not have your card.

- Save your receipt and send a copy to us when you ask us to pay you back for our share of the cost.

### **3. When you pay the full cost for a prescription in other situations**

You may pay the full cost of the prescription because you find that the drug is not covered for some reason.

- For example, the drug may not be on the plan's *List of Covered Drugs (Formulary)*; or it could have a requirement or restriction that you didn't know about or don't think should apply to you. If you decide to get the drug immediately, you may need to pay the full cost for it.

- Save your receipt and send a copy to us when you ask us to pay you back. In some situations, we may need to get more information from your doctor in order to pay you back for our share of the cost.

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## **SECTION 2      How to ask us to pay you back**

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<b>Section 2.1      How and where to send us your request for payment</b>
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Send us your request for payment, along with your receipt documenting the payment you have made. It's a good idea to make a copy of your receipts for your records.

Mail your request for payment together with any receipts to us at this address:

Caremark-Medicare Part D  
P. O. Box 52066  
Phoenix, AZ 85072-2000

Please be sure to contact Customer Service if you have any questions. If you don't know what you owe, we can help. You can also call if you want to give us more information about a request for payment you have already sent to us.

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## **SECTION 3      We will consider your request for payment and say yes or no**

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<b>Section 3.1      We check to see whether we should cover the drug and how much we owe</b>
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When we receive your request for payment, we will let you know if we need any additional information from you. Otherwise, we will consider your request and decide whether to pay it and how much we owe.

- If we decide that the drug is covered and you followed all the rules for getting the drug, we will pay for our share of the cost. We will mail your reimbursement of all but your share to you. (Chapter 3 explains the rules you need to follow for getting your Part D prescription drugs.)
- If we decide that the drug is *not* covered, or you did *not* follow all the rules, we will not pay for our share of the cost. Instead, we will send you a letter that explains the reasons why we are not sending the payment you have requested and your rights to appeal that decision.

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<b>Section 3.2</b>	<b>If we tell you that we will not pay for the drug, you can make an appeal</b>
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If you think we have made a mistake in turning you down, you can make an appeal. If you make an appeal, it means you are asking us to change the decision we made when we turned down your request for payment. The examples of situations in which you may need to ask our Plan to pay you back:

- When you use an out-of-network pharmacy to get a prescription filled
- When you pay the full cost for a prescription because you don't have your plan membership card with you
- When you pay the full cost for a prescription in other situations

For the details on how to make this appeal, go to Chapter 7 of this booklet (*What to do if you have a problem or complaint (coverage decisions, appeals, complaints)*). The appeals process is a legal process with detailed procedures and important deadlines. If making an appeal is new to you, you will find it helpful to start by reading Section 4 of Chapter 7. Section 4 is an introductory section that explains the process for coverage decisions and appeals and gives definitions of terms such as "appeal." Then after you have read Section 4, you can go to the Section 5 in Chapter 7 for a step-by-step explanation of how to file an appeal.

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<b>SECTION 4</b>	<b>Other situations in which you should save your receipts and send them to the plan</b>
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<b>Section 4.1</b>	<b>In some cases, you should send your receipts to the plan to help us track your out-of-pocket drug costs</b>
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There are some situations when you should let us know about payments you have made for your drugs. In these cases, you are not asking us for payment. Instead, you are telling us about your payments so that we can calculate your out-of-pocket costs correctly. This may help you to qualify for the Catastrophic Coverage Stage more quickly.

Here are two situations when you should send us receipts to let us know about payments you have made for your drugs:

**1. When you buy the drug for a price that is lower than the plan's price**

Sometimes when you are in the Deductible Stage and Coverage Gap Stage you can buy your drug **at a network pharmacy** for a price that is lower than the plan's price.

- For example, a pharmacy might offer a special price on the drug. Or you may have a discount card that is outside the plan's benefit that offers a lower price.

- 
- Unless special conditions apply, you must use a network pharmacy in these situations and your drug must be on our Drug List.
  - Save your receipt and send a copy to us so that we can have your out-of-pocket expenses count toward qualifying you for the Catastrophic Coverage Stage.
  - **Please note:** If you are in the Deductible Stage and Coverage Gap Stage, the plan will not pay for any share of these drug costs. But sending the receipt allows us to calculate your out-of-pocket costs correctly and may help you qualify for the Catastrophic Coverage Stage more quickly.

## 2. When you get a drug through a patient assistance program offered by a drug manufacturer

Some members are enrolled in a patient assistance program offered by a drug manufacturer that is outside the plan benefits. If you get any drugs through a program offered by a drug manufacturer, you may pay a copayment to the patient assistance program.

- Save your receipt and send a copy to us so that we can have your out-of-pocket expenses count toward qualifying you for the Catastrophic Coverage Stage.
- **Please note:** Because you are getting your drug through the patient assistance program and not through the plan's benefits, the plan will not pay for any share of these drug costs. But sending the receipt allows us to calculate your out-of-pocket costs correctly and may help you qualify for the Catastrophic Coverage Stage more quickly.

Since you are not asking for payment in the two cases described above, these situations are not considered coverage decisions. Therefore you cannot make an appeal if you disagree with our decision.

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## **Chapter 6. Your rights and responsibilities**

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## **SECTION 1      Our Plan must honor your rights as a member of the plan**

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<b>Section 1.1</b>	<b>We must provide information in a way that works for you (in languages other than English that are spoken in the plan service area, in large print, or other alternate formats, etc.)</b>
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To get information from us in a way that works for you, please call Customer Service (phone numbers are on the front cover).

Our Plan has people and translation services available to answer questions from non-English speaking members. We can also give you information in large print or other alternate formats if you need it. If you are eligible for Medicare because of disability, we are required to give you information about the plan's benefits that is accessible and appropriate for you.

If you have any trouble getting information from our Plan because of problems related to language or disability, please call Medicare at 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week, and tell them that you want to file a complaint. TTY users call 1-877-486-2048.

<b>Section 1.2</b>	<b>We must treat you with fairness and respect at all times</b>
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Our Plan must obey laws that protect you from discrimination or unfair treatment. **We do not discriminate** based on a person's race, disability, religion, sex, health, ethnicity, creed (beliefs), age, or national origin.

If you want more information or have concerns about discrimination or unfair treatment, please call the Department of Health and Human Services' **Office for Civil Rights** 1-800-368-1019 (TTY 1-800-537-7697) or your local Office for Civil Rights.

If you have a disability and need help with access to care, please call us at Customer Service (phone numbers are on the cover of this booklet). If you have a complaint, such as a problem with wheelchair access, Customer Service can help.

<b>Section 1.3</b>	<b>We must ensure that you get timely access to your covered drugs</b>
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As a member of our Plan, you also have the right to get your prescriptions filled or refilled at any of our network pharmacies without long delays. If you think that you are not getting your Part D drugs within a reasonable amount of time, Chapter 7 of this booklet tells what you can do.

<b>Section 1.4</b>	<b>We must protect the privacy of your personal health information</b>
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Federal and state laws protect the privacy of your medical records and personal health information. We protect your personal health information as required by these laws.

- Your “personal health information” includes the personal information you gave us when you enrolled in this plan as well as your medical records and other medical and health information.
- The laws that protect your privacy give you rights related to getting information and controlling how your health information is used. We give you a written notice, called a “Notice of Privacy Practice”, that tells about these rights and explains how we protect the privacy of your health information.

### **How do we protect the privacy of your health information?**

- We make sure that unauthorized people don’t see or change your records.
- In most situations, if we give your health information to anyone who isn’t providing your care or paying for your care, *we are required to get written permission from you first*. Written permission can be given by you or by someone you have given legal power to make decisions for you.
- There are certain exceptions that do not require us to get your written permission first. These exceptions are allowed or required by law.
  - For example, we are required to release health information to government agencies that are checking on quality of care.
  - Because you are a member of our Plan through Medicare, we are required to give Medicare your health information including information about your Part D prescription drugs. If Medicare releases your information for research or other uses, this will be done according to Federal statutes and regulations.

### **You can see the information in your records and know how it has been shared with others**

You have the right to look at your medical records held at the plan, and to get a copy of your records.

You also have the right to ask us to make additions or corrections to your medical records. If you ask us to do this, we will consider your request and decide whether the changes should be made.

You have the right to know how your health information has been shared with others for any purposes that are not routine.

If you have questions or concerns about the privacy of your personal health information, please call Customer Service (phone numbers are on the cover of this booklet).

<b>Section 1.5</b>	<b>We must give you information about the plan, its network of pharmacies, and your covered drugs</b>
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As a member of our Plan, you have the right to get several kinds of information from us. (As explained above in Section 1.1, you have the right to get information from us in a way that works for you. This includes getting the information in languages other than English and other alternate formats.)

If you want any of the following kinds of information, please call Customer Service (phone numbers are on the cover of this booklet):

- **Information about our Plan.** This includes, for example, information about the plan's financial condition. It also includes information about the number of appeals made by members and the plan's performance ratings, including how it has been rated by plan members and how it compares to other Medicare prescription drug plans.
- **Information about our network pharmacies.**
  - For example, you have the right to get information from us about the pharmacies in our network.
  - For a list of the pharmacies in the plan's network, see the *Pharmacy Directory*.
  - For more detailed information about our pharmacies, you can call Customer Service (phone numbers are on the cover of this booklet) or visit our website at [www.horizonblue.com/medicare](http://www.horizonblue.com/medicare).
- **Information about your coverage and rules you must follow in using your coverage.**
  - To get the details on your Part D prescription drug coverage, see Chapters 3 and 4 of this booklet plus the plan's *List of Covered Drugs (Formulary)*. These chapters, together with the *List of Covered Drugs*, tell you what drugs are covered and explain the rules you must follow and the restrictions to your coverage for certain drugs.
  - If you have questions about the rules or restrictions, please call Customer Service (phone numbers are on the cover of this booklet).
- **Information about why something is not covered and what you can do about it.**
  - If a Part D drug is not covered for you, or if your coverage is restricted in some way, you can ask us for a written explanation. You have the right to this explanation even if you received the drug from an out-of-network pharmacy.

- If you are not happy or if you disagree with a decision we make about what Part D drug is covered for you, you have the right to ask us to change the decision. For details on what to do if something is not covered for you in the way you think it should be covered, see Chapter 7 of this booklet. It gives you the details about how to ask the plan for a decision about your coverage and how to make an appeal if you want us to change our decision. (Chapter 7 also tells about how to make a complaint about quality of care, waiting times, and other concerns.)
- If you want to ask our Plan to pay our share of the cost for a Part D prescription drug, see Chapter 5 of this booklet.

<b>Section 1.6</b>	<b>We must support your right to make decisions about your care</b>
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### **You have the right to give instructions about what is to be done if you are not able to make medical decisions for yourself**

Sometimes people become unable to make health care decisions for themselves due to accidents or serious illness. You have the right to say what you want to happen if you are in this situation. This means that, *if you want to*, you can:

- Fill out a written form to give **someone the legal authority to make medical decisions for you** if you ever become unable to make decisions for yourself.
- **Give your doctors written instructions** about how you want them to handle your medical care if you become unable to make decisions for yourself.

The legal documents that you can use to give your directions in advance in these situations are called “**advance directives**.” There are different types of advance directives and different names for them. Documents called “**living will**” and “**power of attorney for health care**” are examples of advance directives.

If you want to use an “advance directive” to give your instructions, here is what to do:

- **Get the form.** If you want to have an advance directive, you can get a form from your lawyer, from a social worker, or from some office supply stores. You can sometimes get advance directive forms from organizations that give people information about Medicare. You can also contact Customer Service to ask for the forms (phone numbers are on the cover of this booklet).
- **Fill it out and sign it.** Regardless of where you get this form, keep in mind that it is a legal document. You should consider having a lawyer help you prepare it.
- **Give copies to appropriate people.** You should give a copy of the form to your doctor and to the person you name on the form as the one to make decisions for you if you can't. You may want to give copies to close friends or family members as well. Be sure to keep a copy at home.

If you know ahead of time that you are going to be hospitalized, and you have signed an advance directive, **take a copy with you to the hospital.**

- If you are admitted to the hospital, they will ask you whether you have signed an advance directive form and whether you have it with you.
- If you have not signed an advance directive form, the hospital has forms available and will ask if you want to sign one.

**Remember, it is your choice whether you want to fill out an advance directive** (including whether you want to sign one if you are in the hospital). According to law, no one can deny you care or discriminate against you based on whether or not you have signed an advance directive.

### **What if your instructions are not followed?**

If you have signed an advance directive, and you believe that a doctor or hospital hasn't followed the instructions in it, you may file a complaint with Healthcare Quality Strategies, Inc, 557 Cranbury Road, Suite 21, East Brunswick, NJ 08816, telephone number 1-800-624-4557.

<b>Section 1.7</b>	<b>You have the right to make complaints and to ask us to reconsider decisions we have made</b>
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If you have any problems or concerns about your covered services or care, Chapter 7 of this booklet tells what you can do. It gives the details about how to deal with all types of problems and complaints.

As explained in Chapter 7, what you need to do to follow up on a problem or concern depends on the situation. You might need to ask our Plan to make a coverage decision for you, make an appeal to us to change a coverage decision, or make a complaint. Whatever you do – ask for a coverage decision, make an appeal, or make a complaint – **we are required to treat you fairly.**

You have the right to get a summary of information about the appeals and complaints that other members have filed against our Plan in the past. To get this information, please call Customer Service (phone numbers are on the cover of this booklet).

<b>Section 1.8</b>	<b>What can you do if you think you are being treated unfairly or your rights are not being respected?</b>
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### **If it is about discrimination, call the Office for Civil Rights**

If you think you have been treated unfairly or your rights have not been respected due to your race, disability, religion, sex, health, ethnicity, creed (beliefs), age, or national origin, you should call the Department of Health and Human Services' **Office for Civil Rights** at 1-800-368-1019 or TTY 1-800-537-7697, or call your local Office for Civil Rights.

## Is it about something else?

If you think you have been treated unfairly or your rights have not been respected, *and it's not* about discrimination, you can get help dealing with the problem you are having:

- You can **call Customer Service** (phone numbers are on the cover of this booklet).
- You can **call the State Health Insurance Assistance Program**. For details about this organization and how to contact it, go to Chapter 2, Section 3.

### Section 1.9 How to get more information about your rights

There are several places where you can get more information about your rights:

- You can **call Customer Service** (phone numbers are on the cover of this booklet).
- You can **call the State Health Insurance Assistance Program**. For details about this organization and how to contact it, go to Chapter 2, Section 3.
- You can contact **Medicare**.
  - You can visit the Medicare website (<http://www.medicare.gov>) to read or download the publication “Your Medicare Rights & Protections.”
  - Or, you can call 1-800-MEDICARE (1-800-633-4227) 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.

## SECTION 2 You have some responsibilities as a member of the plan

### Section 2.1 What are your responsibilities?

Things you need to do as a member of the plan are listed below. If you have any questions, please call Customer Service (phone numbers are on the cover of this booklet). We're here to help.

- ***Get familiar with your covered drugs and the rules you must follow to get these covered drugs.*** Use this Evidence of Coverage booklet to learn what is covered for you and the rules you need to follow to get your covered drugs.
  - Chapters 3 and 4 give the details about your coverage for Part D prescription drugs.

- ***If you have any other prescription drug coverage besides our Plan, you are required to tell us.*** Please call Customer Service to let us know.
  - We are required to follow rules set by Medicare to make sure that you are using all of your coverage in combination when you get your covered drugs from our Plan. This is called “**coordination of benefits**” because it involves coordinating the drug benefits you get from our Plan with any other drug benefits available to you. We’ll help you with it.
- ***Tell your doctor and pharmacist that you are enrolled in our Plan.*** Show your plan membership card whenever you get your Part D prescription drugs.
- ***Help your doctors and other providers help you by giving them information, asking questions, and following through on your care.***
  - To help your doctors and other health providers give you the best care, learn as much as you are able to about your health problems and give them the information they need about you and your health. Follow the treatment plans and instructions that you and your doctors agree upon.
  - If you have any questions, be sure to ask. Your doctors and other health care providers are supposed to explain things in a way you can understand. If you ask a question and you don’t understand the answer you are given, ask again.
- ***Pay what you owe.*** As a plan member, you are responsible for these payments:
  - You must pay your plan premiums to continue being a member of our Plan.
  - For some of your drugs covered by the plan, you must pay your share of the cost when you get the drug. This will be a copayment (a fixed amount) *or* coinsurance (a percentage of the total cost). Chapter 4 tells what you must pay for your Part D prescription drugs.
  - If you get any drugs that are not covered by our Plan or by other insurance you may have, you must pay the full cost.
- ***Tell us if you move.*** If you are going to move, it’s important to tell us right away. Call Customer Service (phone numbers are on the cover of this booklet).
  - **If you move *outside* of our Plan service area, you cannot remain a member of our Plan.** (Chapter 1 tells about our service area.) We can help you figure out whether you are moving outside our service area. If you are leaving our service area, we can let you know if we have a plan in your new area.
  - **If you move *within* our service area, we still need to know** so we can keep your membership record up to date and know how to contact you.

- **Call Customer Service for help if you have questions or concerns.** *We also welcome any suggestions you may have for improving our Plan.*
  - Phone numbers and calling hours for Customer Service are on the cover of this booklet.
  - For more information on how to reach us, including our mailing address, please see Chapter 2.

## **Chapter 7. What to do if you have a problem or complaint (coverage decisions, appeals, complaints)**

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## BACKGROUND

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### SECTION 1 Introduction

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<b>Section 1.1</b>	<b>What to do if you have a problem or concern</b>
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#### **Please call us first**

Your health and satisfaction are important to us. When you have a problem or concern, we hope you'll try an informal approach first: Please call Customer Service (phone numbers are on the cover of this booklet). We will work with you to try to find a satisfactory solution to your problem.

You have rights as a member of our Plan and as someone who is getting Medicare. We pledge to honor your rights, to take your problems and concerns seriously, and to treat you with respect.

#### **Two formal processes for dealing with problems**

Sometimes you might need a formal process for dealing with a problem you are having as a member of our Plan.

This chapter explains two types of formal processes for handling problems:

- For some types of problems, you need to use the **process for coverage decisions and making appeals**.
- For other types of problems you need to use the **process for making complaints**.

Both of these processes have been approved by Medicare. To ensure fairness and prompt handling of your problems, each process has a set of rules, procedures, and deadlines that must be followed by us and by you.

Which one do you use? That depends on the type of problem you are having. The guide in Section 3 will help you identify the right process to use.

<b>Section 1.2</b>	<b>What about the legal terms?</b>
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There are technical legal terms for some of the rules, procedures, and types of deadlines explained in this chapter. Many of these terms are unfamiliar to most people and can be hard to understand.

To keep things simple, this chapter explains the legal rules and procedures using more common words in place of certain legal terms. For example, this chapter generally says "making a

complaint” rather than “filing a grievance,” “coverage decision” rather than “coverage determination,” and “Independent Review Organization” instead of “Independent Review Entity.” It also uses abbreviations as little as possible.

However, it can be helpful – and sometimes quite important – for you to know the correct legal terms for the situation you are in. Knowing which terms to use will help you communicate more clearly and accurately when you are dealing with your problem and get the right help or information for your situation. To help you know which terms to use, we include legal terms when we give the details for handling specific types of situations.

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## **SECTION 2      You can get help from government organizations that are not connected with us**

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<b>Section 2.1      Where to get more information and personalized assistance</b>
---

Sometimes it can be confusing to start or follow through the process for dealing with a problem. This can be especially true if you do not feel well or have limited energy. Other times, you may not have the knowledge you need to take the next step. Perhaps both are true for you.

### **Get help from an independent government organization**

We are always available to help you. But in some situations you may also want help or guidance from someone who is not connected with us. You can always contact your **State Health Insurance Assistance Program**. This government program has trained counselors in every state. The program is not connected with our Plan or with any insurance company or health plan. The counselors at this program can help you understand which process you should use to handle a problem you are having. They can also answer your questions, give you more information, and offer guidance on what to do.

Their services are free. You will find phone numbers in Chapter 2, Section 3 of this booklet.

### **You can also get help and information from Medicare**

For more information and help in handling a problem, you can also contact Medicare. Here are two ways to get information directly from Medicare:

- You can call 1-800-MEDICARE (1-800-633-4227) 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.
- You can visit the Medicare website (<http://www.medicare.gov>).

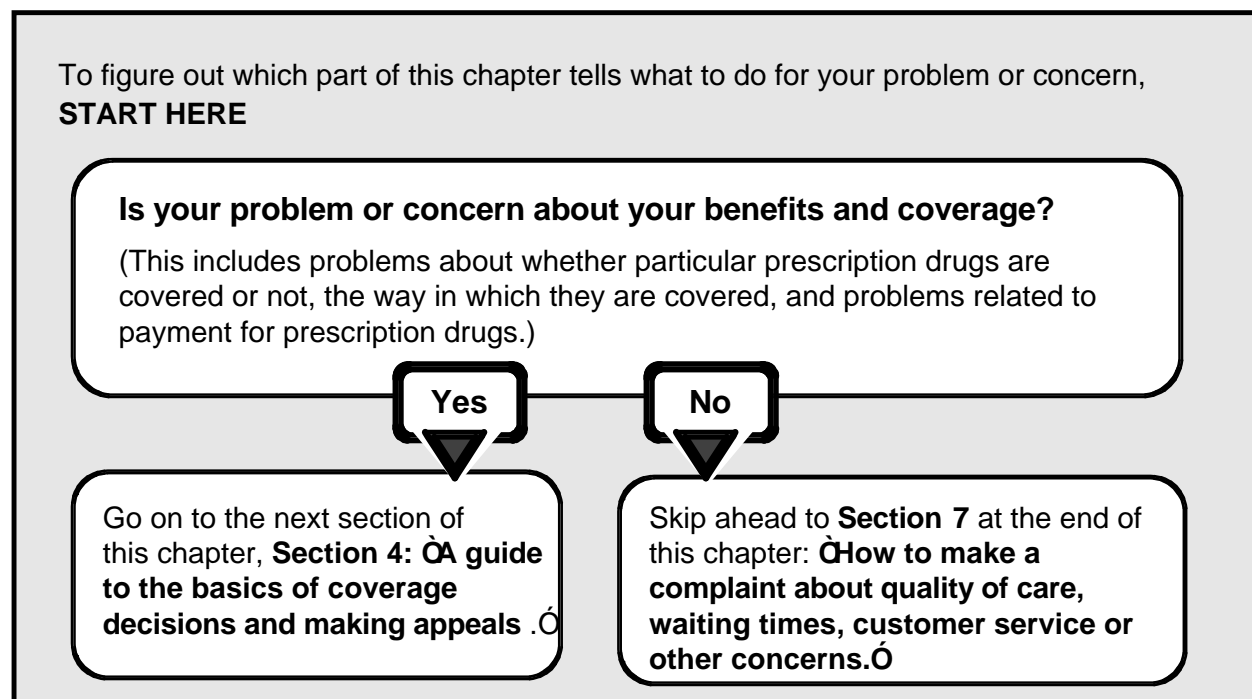
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## **SECTION 3      To deal with your problem, which process should you use?**

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<b>Section 3.1</b>	<b>Should you use the process for coverage decisions and appeals? Or should you use the process for making complaints?</b>
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If you have a problem or concern and you want to do something about it, you don't need to read this whole chapter. You just need to find and read the parts of this chapter that apply to your situation. The guide that follows will help.



## COVERAGE DECISIONS AND APPEALS

### SECTION 4 A guide to the basics of coverage decisions and appeals

#### Section 4.1 Asking for coverage decisions and making appeals: the big picture

The process for coverage decisions and making appeals deals with problems related to your benefits and coverage for prescription drugs, including problems related to payment. This is the process you use for issues such as whether a drug is covered or not and the way in which the drug is covered.

#### Asking for coverage decisions

A coverage decision is a decision we make about your benefits and coverage or about the amount we will pay for your prescription drugs. We make a coverage decision for you whenever you fill a prescription at a pharmacy.

We are making a coverage decision for you whenever we decide what is covered for you and how much we pay:

- Usually, there is no problem. We decide the drug is covered and pay our share of the cost.
- But in some cases we might decide the drug is not covered or is no longer covered by Medicare for you. If you disagree with this coverage decision, you can make an appeal.

#### Making an appeal

If we make a coverage decision and you are not satisfied with this decision, you can “appeal” the decision. An appeal is a formal way of asking us to review and change a coverage decision we have made.

When you make an appeal we review the coverage decision we have made to check to see if we were being fair and following all of the rules properly. When we have completed the review we give you our decision.

If we say no to all or part of your Level 1 Appeal, you can go on to a Level 2 Appeal. The Level 2 Appeal is conducted by an independent organization that is not connected to our Plan. If you are not satisfied with the decision at the Level 2 Appeal, you may be able to continue through several more levels of appeal.”

<b>Section 4.2</b>	<b>How to get help when you are asking for a coverage decision or making an appeal</b>
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Would you like some help? Here are resources you may wish to use if you decide to ask for any kind of coverage decision or appeal a decision:

- **You can call us at Customer Service** (phone numbers are on the cover).
- **To get free help from an independent organization** that is not connected with our Plan, contact your State Health Insurance Assistance Program (see Section 2 of this chapter).
- **You should consider getting your doctor or other prescriber involved if possible, especially if you want a “fast” or “expedited” decision.** In most situations involving a coverage decision or appeal, your doctor or other prescriber must explain the medical reasons that support your request. Your doctor or other prescriber can’t request every appeal. He/she can request a coverage decision and a Level 1 Appeal with the plan. To request any appeal after Level 1, your doctor or other prescriber must be appointed as your “representative” (see below about “representatives”).
- **You can ask someone to act on your behalf.** If you want to, you can name another person to act for you as your “representative” to ask for a coverage decision or make an appeal.
  - There may be someone who is already legally authorized to act as your representative under State law.
  - If you want a friend, relative, your doctor or other prescriber, or other person to be your representative, call Customer Service and ask for the form to give that person permission to act on your behalf. The form must be signed by you and by the person who you would like to act on your behalf. You must give our Plan a copy of the signed form.
- **You also have the right to hire a lawyer to act for you.** You may contact your own lawyer, or get the name of a lawyer from your local bar association or other referral service. There are also groups that will give you free legal services if you qualify. However, **you are not required to hire a lawyer** to ask for any kind of coverage decision or appeal a decision.

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## **SECTION 5**      **Your Part D prescription drugs: How to ask for a coverage decision or make an appeal**

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Have you read Section 4 of this chapter (*A guide to “the basics” of coverage decisions and appeals*)? If not, you may want to read it before you start this section.

**Section 5.1**      **This section tells you what to do if you have problems getting a Part D drug or you want us to pay you back for a Part D drug**

Your benefits as a member of our Plan include coverage for many outpatient prescription drugs. Medicare calls these outpatient prescription drugs “Part D drugs.” You can get these drugs as long as they are included in our Plan’s *List of Covered Drugs (Formulary)* and they are medically necessary for you, as determined by your primary care doctor or other provider.

- **This section is about your Part D drugs only.** To keep things simple, we generally say “drug” in the rest of this section, instead of repeating “covered outpatient prescription drug” or “Part D drug” every time.
- For details about what we mean by Part D drugs, the *List of Covered Drugs*, rules and restrictions on coverage, and cost information, see Chapter 5 (*Using our Plan’s coverage for your Part D prescription drugs*) and Chapter 6 (*What you pay for your Part D prescription drugs*).

**Part D coverage decisions and appeals**

As discussed in Section 4 of this chapter, a coverage decision is a decision we make about your benefits and coverage or about the amount we will pay for your drugs.

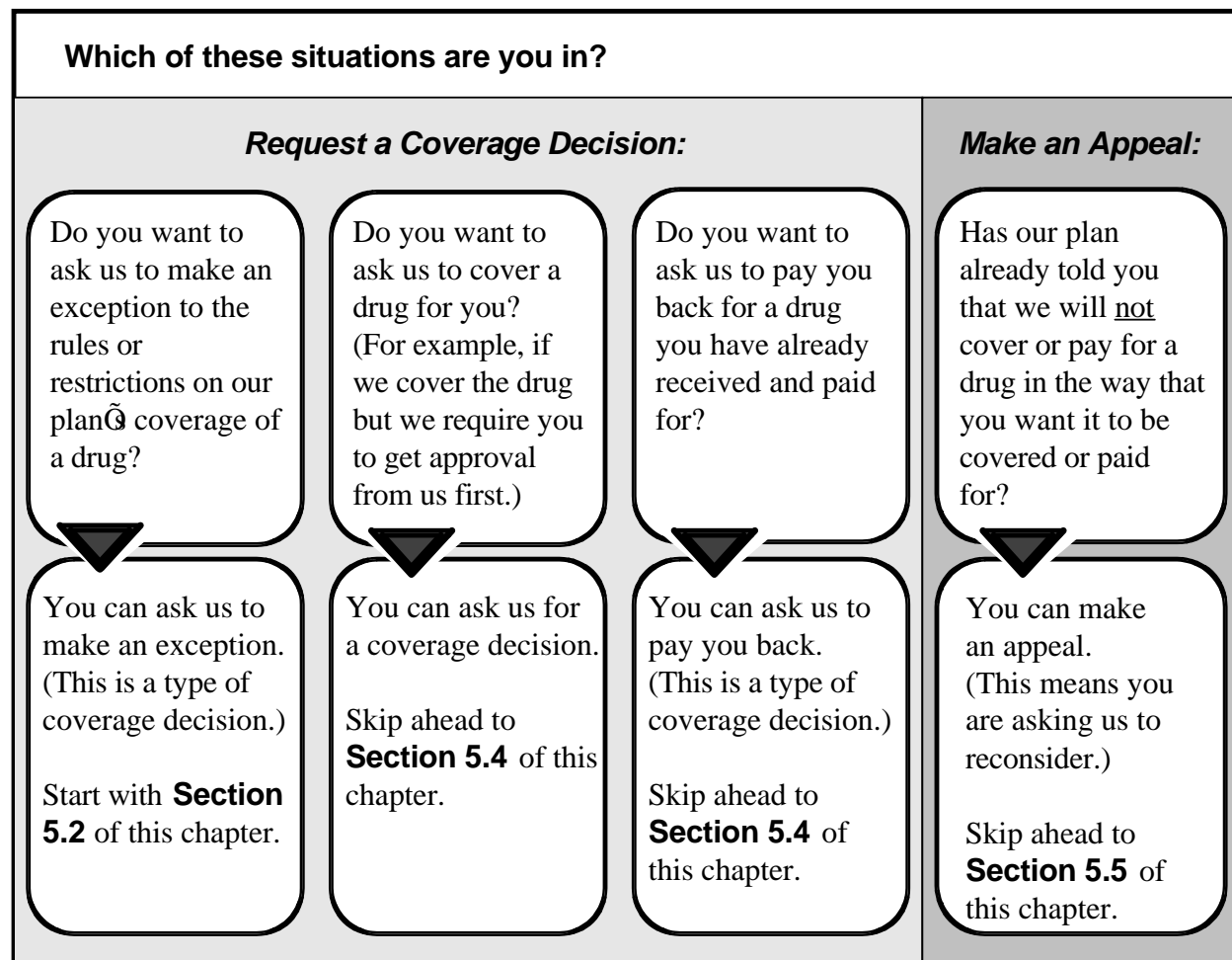
<b>Legal Terms</b>	A coverage decision is often called an “ <b>initial determination</b> ” or “initial decision.” When the coverage decision is about your Part D drugs, the initial determination is called a “ <b>coverage determination.</b> ”
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Here are examples of coverage decisions you ask us to make about your Part D drugs:

- You ask us to make an exception, including:
  - Asking us to cover a Part D drug that is not on the plan’s *List of Covered Drugs*
  - Asking us to waive a restriction on the plan’s coverage for a drug (such as limits on the amount of the drug you can get)
  - Asking to pay a lower cost-sharing amount for a covered non-preferred drug
- You ask us whether a drug is covered for you and whether you satisfy any applicable coverage rules. (For example, when your drug is on the plan’s *List of Covered Drugs* but we require you to get approval from us before we will cover it for you.)
- You ask us to pay for a prescription drug you already bought. This is a request for a coverage decision about payment.

If you disagree with a coverage decision we have made, you can appeal our decision.

This section tells you both how to ask for coverage decisions and how to request an appeal. Use this guide to help you determine which part has information for your situation:



## Section 5.2 What is an exception?

If a drug is not covered in the way you would like it to be covered, you can ask the plan to make an “exception.” An exception is a type of coverage decision. Similar to other types of coverage decisions, if we turn down your request for an exception, you can appeal our decision.

When you ask for an exception, your doctor or other prescriber will need to explain the medical reasons why you need the exception approved. We will then consider your request. Here are three examples of exceptions that you or your doctor or other prescriber can ask us to make:

1. **Covering a Part D drug for you that is not on our Plan's *List of Covered Drugs (Formulary)*.** (We call it the “Drug List” for short.)

<b>Legal Terms</b>	Asking for coverage of a drug that is not on the Drug List is sometimes called asking for a “ <b>formulary exception.</b> ”
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- If we agree to make an exception and cover a drug that is not on the Drug List, you will need to pay the cost-sharing amount that applies to drugs in non-preferred tier. You cannot ask for an exception to the copayment or co-insurance amount we require you to pay for the drug.
- You cannot ask for coverage of any “excluded drugs” or other non-Part D drugs which Medicare does not cover. (For more information about excluded drugs, see Chapter 5.)

**2. Removing a restriction on the plan’s coverage for a covered drug.** There are extra rules or restrictions that apply to certain drugs on the plan’s *List of Covered Drugs* (for more information, go to Chapter 3).

<b>Legal Terms</b>	Asking for removal of a restriction on coverage for a drug is sometimes called asking for a “ <b>formulary exception.</b> ”
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- The extra rules and restrictions on coverage for certain drugs include:
  - *Being required to use the generic version* of a drug instead of the brand-name drug.
  - *Getting plan approval in advance* before we will agree to cover the drug for you. (This is sometimes called “prior authorization.”)
  - *Being required to try a different drug first* before we will agree to cover the drug you are asking for. (This is sometimes called “step therapy.”)
  - *Quantity limits.* For some drugs, there are restrictions on the amount of the drug you can have.
- If our Plan agrees to make an exception and waive a restriction for you, you can ask for an exception to the copayment or co-insurance amount we require you to pay for the drug.

**3. Changing coverage of a drug to a lower cost-sharing tier.** Every drug on the plan’s Drug List is in one of *four* cost-sharing tiers. In general, the lower the cost-sharing tier number, the less you will pay as your share of the cost of the drug.

<b>Legal Terms</b>	Asking to pay a lower preferred price for a covered non-preferred drug is sometimes called asking for a “ <b>tiering exception.</b> ”
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- If your drug is in *non-preferred* you can ask us to cover it at the cost-sharing amount that applies to drugs in *preferred tier*. This would lower your share of the cost for the drug.
- You cannot ask us to change the cost-sharing tier for any drug in Tier 4 (Specialty tier).

<b>Section 5.3</b>	<b>Important things to know about asking for exceptions</b>
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### Your doctor must tell us the medical reasons

Your doctor or other prescriber must give us a written statement that explains the medical reasons for requesting an exception. For a faster decision, include this medical information from your doctor or other prescriber when you ask for the exception.

Typically, our Drug List includes more than one drug for treating a particular condition. These different possibilities are called “alternative” drugs. If an alternative drug would be just as effective as the drug you are requesting and would not cause more side effects or other health problems, we will generally *not* approve your request for an exception.

### Our Plan can say yes or no to your request

- If we approve your request for an exception, our approval usually is valid until the end of the plan year. This is true as long as your doctor continues to prescribe the drug for you and that drug continues to be safe and effective for treating your condition.
- If we say no to your request for an exception, you can ask for a review of our decision by making an appeal. Section 5.5 tells you how to make an appeal if we say no.

The next section tells you how to ask for a coverage decision, including an exception.

<b>Section 5.4</b>	<b>Step-by-step: How to ask for a coverage decision, including an exception</b>
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**Step 1: You ask our Plan to make a coverage decision about the drug(s) or payment you need.** If your health requires a quick response, you must ask us to make a “fast decision.” **You cannot ask for a fast decision if you are asking us to pay you back for a drug you already bought.**

#### *What to do*

- **Request the type of coverage decision you want.** Start by calling, writing, or faxing our Plan to make your request. You, your representative, or your doctor (or other prescriber) can do this. For the details, go to Chapter 2, Section 1 and look for the section called, *How to contact our Plan when you are asking for a coverage decision about your Part D prescription drugs*. Or if you are asking us to pay you

back for a drug, go to the section called, *Where to send a request that asks us to pay for our share of the cost for medical care or a drug you have received.*

- **You or your doctor or someone else who is acting on your behalf** can ask for a coverage decision. Section 4 of this chapter tells how you can give written permission to someone else to act as your representative. You can also have a lawyer act on your behalf.
- **If you want to ask our Plan to pay you back for a drug**, start by reading Chapter 7 of this booklet: *Asking the plan to pay its share of a bill you have received for medical services or drugs.* Chapter 7 describes the situations in which you may need to ask for reimbursement. It also tells how to send us the paperwork that asks us to pay you back for our share of the cost of a drug you have paid for.
- **If you are requesting an exception, provide the “doctor’s statement.”** Your doctor or other prescriber must give us the medical reasons for the drug exception you are requesting. (We call this the “doctor’s statement.”) Your doctor or other prescriber can fax or mail the statement to our Plan. Or your doctor or other prescriber can tell us on the phone and follow up by faxing or mailing the signed statement. See Sections 5.2 and 5.3 for more information about exception requests.

*If your health requires it, ask us to give you a “fast decision”*

<b>Legal Terms</b>	A “fast decision” is called an “ <b>expedited decision.</b> ”
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- When we give you our decision, we will use the “standard” deadlines unless we have agreed to use the “fast” deadlines. A standard decision means we will give you an answer within 72 hours after we receive your doctor’s statement. A fast decision means we will answer within 24 hours.
- **To get a fast decision, you must meet two requirements:**
  - You can get a fast decision only if you are asking for a *drug you have not yet received.* (You cannot get a fast decision if you are asking us to pay you back for a drug you are already bought.)
  - You can get a fast decision *only* if using the standard deadlines could *cause serious harm to your health or hurt your ability to function.*
- **If your doctor or other prescriber tells us that your health requires a “fast decision,” we will automatically agree to give you a fast decision.**
- If you ask for a fast decision on your own (without your doctor’s or other prescriber’s support), our Plan will decide whether your health requires that we give you a fast decision.

- If we decide that your medical condition does not meet the requirements for a fast decision, we will send you a letter that says so (and we will use the standard deadlines instead).
- This letter will tell you that if your doctor or other prescriber asks for the fast decision, we will automatically give a fast decision.
- The letter will also tell how you can file a complaint about our decision to give you a standard decision instead of the fast decision you requested. It tells how to file a “fast” complaint, which means you would get our answer to your complaint within 24 hours. (The process for making a complaint is different from the process for coverage decisions and appeals. For more information about the process for making complaints, see Section 7 of this chapter.)

## **Step 2: Our Plan considers your request and we give you our answer.**

### *Deadlines for a “fast” coverage decision*

- If we are using the fast deadlines, we must give you our answer **within 24 hours**.
  - Generally, this means within 24 hours after we receive your request. If you are requesting an exception, we will give you our answer within 24 hours after we receive your doctor’s statement supporting your request. We will give you our answer sooner if your health requires us to.
  - If we do not meet this deadline, we are required to send your request on to Level 2 of the appeals process, where it will be reviewed by an independent outside organization. Later in this section, we tell about this review organization and explain what happens at Appeal Level 2.
- **If our answer is yes to part or all of what you requested**, we must provide the coverage we have agreed to provide within 24 hours after we receive your request or doctor’s statement supporting your request.
- **If our answer is no to part or all of what you requested**, we will send you a written statement that explains why we said no.

### *Deadlines for a “standard” coverage decision*

- If we are using the standard deadlines, we must give you our answer **within 72 hours**.
  - Generally, this means within 72 hours after we receive your request. If you are requesting an exception, we will give you our answer within 72 hours after we receive your doctor’s statement supporting your request. We will give you our answer sooner if your health requires us to.
  - If we do not meet this deadline, we are required to send your request on to Level 2 of the appeals process, where it will be reviewed by an independent

organization. Later in this section, we tell about this review organization and explain what happens at Appeal Level 2.

- **If our answer is yes to part or all of what you requested –**
  - If we approve your request for coverage, we must **provide the coverage** we have agreed to provide **within 72 hours** after we receive your request or doctor’s statement supporting your request.
  - If we approve your request to pay you back for a drug you already bought, we are also required to **send payment to you within 30 calendar days** after we receive your request or doctor’s statement supporting your request.
- **If our answer is no to part or all of what you requested**, we will send you a written statement that explains why we said no.

**Step 3: If we say no to your coverage request, you decide if you want to make an appeal.**

- If our Plan says no, you have the right to request an appeal. Requesting an appeal means asking us to reconsider – and possibly change – the decision we made.

<b>Section 5.5</b>	<b>Step-by-step: How to make a Level 1 Appeal</b> (how to ask for a review of a coverage decision made by our Plan)
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<b>Legal Terms</b>	When you start the appeals process by making an appeal, it is called the “first level of appeal” or a “Level 1 Appeal.”  An appeal to the plan about a Part D drug coverage decision is called a plan “ <b>redetermination.</b> ”
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**Step 1: You contact our Plan and make your Level 1 Appeal.** If your health requires a quick response, you must ask for a “**fast appeal.**”

*What to do*

- **To start your appeal, you (or your representative or your doctor or other prescriber) must contact our Plan.**
  - For details on how to reach us by phone, fax, mail, or in person for any purpose related to your appeal, go to Chapter 2, Section 1, and look for the section called, *Part D Appeals(about your Part D Prescription Drugs)*.
- **Make your appeal in writing by submitting a signed request.** You may also ask for an appeal by calling us at the phone number shown in Chapter 2, Section 1

*(How to contact our Plan when you are making an appeal about your Part D prescription drugs).*

- **You must make your appeal request within 60 calendar days** from the date on the written notice we sent to tell you our answer to your request for a coverage decision. If you miss this deadline and have a good reason for missing it, we may give you more time to make your appeal.
- **You can ask for a copy of the information in your appeal and add more information.**
  - You have the right to ask us for a copy of the information regarding your appeal.
  - If you wish, you and your doctor or other prescriber may give us additional information to support your appeal.

*If your health requires it, ask for a “fast appeal”*

<b>Legal Terms</b>	A “fast appeal” is also called an “ <b>expedited appeal.</b> ”
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- If you are appealing a decision our Plan made about a drug you have not yet received, you and your doctor or other prescriber will need to decide if you need a “fast appeal.”
- The requirements for getting a “fast appeal” are the same as those for getting a “fast decision” in Section 5.4 of this chapter.

### **Step 2: Our Plan considers your appeal and we give you our answer.**

- When our Plan is reviewing your appeal, we take another careful look at all of the information about your coverage request. We check to see if we were being fair and following all the rules when we said no to your request. We may contact you or your doctor or other prescriber to get more information.

#### ***Deadlines for a “fast” appeal***

- If we are using the fast deadlines, we must give you our answer **within 72 hours after we receive your appeal.** We will give you our answer sooner if your health requires it.
  - If we do not give you an answer within 72 hours, we are required to send your request on to Level 2 of the appeals process, where it will be reviewed by an Independent Review Organization. (Later in this section, we tell about this review organization and explain what happens at Level 2 of the appeals process.)
- **If our answer is yes to part or all of what you requested,** we must provide the coverage we have agreed to provide within 72 hours.

- **If our answer is no to part or all of what you requested**, we will send you a written statement that explains why we said no and how to appeal our decision.

#### *Deadlines for a “standard” appeal*

- If we are using the standard deadlines, we must give you our answer **within 7 calendar days** after we receive your appeal. We will give you our decision sooner if you have not received the drug yet and your health condition requires us to do so.
  - If we do not give you a decision within 7 calendar days, we are required to send your request on to Level 2 of the appeals process, where it will be reviewed by an Independent Review Organization. Later in this section, we tell about this review organization and explain what happens at Level 2 of the appeals process.
- **If our answer is yes to part or all of what you requested –**
  - If we approve a request for coverage, we must **provide the coverage** we have agreed to provide as quickly as your health requires, but **no later than 7 calendar days** after we receive your appeal.
  - If we approve a request to pay you back for a drug you already bought, we are required to **send payment to you within 30 calendar days** after we receive your appeal request.
- **If our answer is no to part or all of what you requested**, we will send you a written statement that explains why we said no and how to appeal our decision.

#### **Step 3: If we say no to your appeal, you decide if you want to continue with the appeals process and make *another* appeal.**

- If our Plan says no to your appeal, you then choose whether to accept this decision or continue by making another appeal.
  - If you decide to make another appeal, it means your appeal is going on to Level 2 of the appeals process (see below).

<b>Section 5.6</b>	<b>Step-by-step: How to make a Level 2 Appeal</b>
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If our Plan says no to your appeal, you then choose whether to accept this decision or continue by making another appeal. If you decide to go on to a Level 2 Appeal, the **Independent Review Organization** reviews the decision our Plan made when we said no to your first appeal. This organization decides whether the decision we made should be changed.

<b>Legal Terms</b>	The formal name for the “Independent Review Organization” is the “ <b>Independent Review Entity.</b> ” It is sometimes called the “ <b>IRE.</b> ”
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**Step 1: To make a Level 2 Appeal, you must contact the Independent Review Organization and ask for a review of your case.**

- If our Plan says no to your Level 1 Appeal, the written notice we send you will include **instructions on how to make a Level 2 Appeal** with the Independent Review Organization. These instructions will tell who can make this Level 2 Appeal, what deadlines you must follow, and how to reach the review organization.
- When you make an appeal to the Independent Review Organization, we will send the information we have about your appeal to this organization. This information is called your “case file.” **You have the right to ask us for a copy of your case file.**
- You have a right to give the Independent Review Organization additional information to support your appeal.

**Step 2: The Independent Review Organization does a review of your appeal and gives you an answer.**

- **The Independent Review Organization is an outside, independent organization that is hired by Medicare.** This organization is not connected with our Plan and it is not a government agency. This organization is a company chosen by Medicare to review our decisions about your Part D benefits with our Plan.
- Reviewers at the Independent Review Organization will take a careful look at all of the information related to your appeal. The organization will tell you its decision in writing and explain the reasons for it.

*Deadlines for “fast” appeal at Level 2*

- If your health requires it, ask the Independent Review Organization for a “fast appeal.”
- If the review organization agrees to give you a “fast appeal,” the review organization must give you an answer to your Level 2 Appeal **within 72 hours** after it receives your appeal request.
- **If the Independent Review Organization says yes to part or all of what you requested,** we must provide the drug coverage that was approved by the review organization **within 24 hours** after we receive the decision from the review organization.

*Deadlines for “standard” appeal at Level 2*

- If you have a standard appeal at Level 2, the review organization must give you an answer to your Level 2 Appeal **within 7 calendar days** after it receives your appeal.
- **If the Independent Review Organization says yes to part or all of what you requested –**

- If the Independent Review Organization approves a request for coverage, we must **provide the drug coverage** that was approved by the review organization **within 72 hours** after we receive the decision from the review organization.
- If the Independent Review Organization approves a request to pay you back for a drug you already bought, we are required to **send payment to you within 30 calendar days** after we receive the decision from the review organization.

### **What if the review organization says no to your appeal?**

If this organization says no to your appeal, it means the organization agrees with our decision not to approve your request. (This is called “upholding the decision.” It is also called “turning down your appeal.”)

To continue and make another appeal at Level 3, the dollar value of the drug coverage you are requesting must meet a minimum amount. If the dollar value of the coverage you are requesting is too low, you cannot make another appeal and the decision at Level 2 is final. The notice you get from the Independent Review Organization will tell you if the dollar value of the coverage you are requesting is high enough to continue with the appeals process.

### **Step 3: If the dollar value of the coverage you are requesting meets the requirement, you choose whether you want to take your appeal further.**

- There are three additional levels in the appeals process after Level 2 (for a total of five levels of appeal).
- If your Level 2 Appeal is turned down and you meet the requirements to continue with the appeals process, you must decide whether you want to go on to Level 3 and make a third appeal. If you decide to make a third appeal, the details on how to do this are in the written notice you got after your second appeal.
- The Level 3 Appeal is handled by an administrative law judge. Section 6 in this chapter tells more about Levels 3, 4, and 5 of the appeals process.

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## **SECTION 6      Taking your appeal to Level 3 and beyond**

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<b>Section 6.1      Levels of Appeal 3, 4, and 5 for Part D Drug Appeals</b>
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This section may be appropriate for you if you have made a Level 1 Appeal and a Level 2 Appeal, and both of your appeals have been turned down.

If the dollar value of the drug you have appealed meets certain minimum levels, you may be able to go on to additional levels of appeal. If the dollar value is less than the minimum level, you cannot appeal any further. If the dollar value is high enough, the written response you receive to your Level 2 Appeal will explain who to contact and what to do to ask for a Level 3 Appeal.

For most situations that involve appeals, the last three levels of appeal work in much the same way. Here is who handles the review of your appeal at each of these levels.

**Level 3 Appeal** A judge who works for the Federal government will review your appeal and give you an answer. This judge is called an “Administrative Law Judge.”

- **If the answer is yes, the appeals process is over.** What you asked for in the appeal has been approved.
- **If the answer is no, the appeals process *may* or *may not* be over.**
  - If you decide to accept this decision that turns down your appeal, the appeals process is over.
  - If you do not want to accept the decision, you can continue to the next level of the review process. If the administrative judge says no to your appeal, the notice you get will tell you what to do next if you choose to continue with you appeal. Whenever the reviewer says no to your appeal, the notice you get will tell you whether the rules allow you to go on to another level of appeal. If the rules allow you to go on, the written notice will also tell you who to contact and what to do next if you choose to continue with your appeal.

**Level 4 Appeal** The Medicare Appeals Council will review your appeal and give you an answer. The Medicare Appeals Council works for the Federal government.

- **If the answer is yes, the appeals process is over.** What you asked for in the appeal has been approved.
- **If the answer is no, the appeals process *may* or *may not* be over.**
  - If you decide to accept this decision that turns down your appeal, the appeals process is over.
  - If you do not want to accept the decision, you might be able to continue to the next level of the review process. It depends on your situation. If the Medicare Appeals Council says no to your appeal or denies your request to review the appeal, the notice you get will tell you whether the rules allow you to go on to a Level 5 Appeal. If the rules allow you to go on, the written notice will also tell you who to contact and what to do next if you choose to continue with your appeal.

**Level 5 Appeal** A judge at the Federal District Court will review your appeal. This is the last stage of the appeals process.

- This is the last step of the administrative appeals process.

## MAKING COMPLAINTS

### SECTION 7 How to make a complaint about quality of care, waiting times, customer service, or other concerns



If your problem is about decisions related to benefits, coverage, or payment, then this section is *not for you*. Instead, you need to use the process for coverage decisions and appeals. Go to Section 4 of this chapter.

#### Section 7.1 What kinds of problems are handled by the complaint process?

This section explains how to use the process for making complaints. The complaint process is used for certain types of problems *only*. This includes problems related to quality of care, waiting times, and the customer service you receive. Here are examples of the kinds of problems handled by the complaint process.

**If you have any of these kinds of problems, you can make a complaint**

#### Quality of your medical care

- Are you unhappy with the quality of the care you have received?

#### Respecting your privacy

- Do you believe that someone did not respect your right to privacy or shared information about you that you feel should be confidential?

#### Disrespect, poor customer service, or other negative behaviors

- Has someone been rude or disrespectful to you?
- Are you unhappy with how our Customer Service has dealt with you?
- Do you feel you are being encouraged to leave our plan?

#### Waiting times

- Have you been kept waiting too long by pharmacists? Or by Customer Service or other staff at our plan?
- Examples include waiting too long on the phone or when getting a prescription.

## **Cleanliness**

- Are you unhappy with the cleanliness or condition of a pharmacy?

## **Information you get from our Plan**

- Do you believe we have not given you a notice that we are required to give?
- Do you think written information we have given you is hard to understand?

## **Possible complaints**

### **These types of complaints are all related to the timeliness of our actions related to coverage decisions and appeals**

The process of asking for a coverage decision and making appeals is explained in sections 4-6 of this chapter. If you are asking for a decision or making an appeal, you use that process, not the complaint process.

However, if you have already asked for a coverage decision or made an appeal, and you think that our plan is not responding quickly enough, you can also make a complaint about our slowness. Here are examples:

- If you have asked us to give you a fast response for a coverage decision or appeal, and we have said we will not, you can make a complaint.
- If you believe our plan is not meeting the deadlines for giving you a coverage decision or an answer to an appeal you have made, you can make a complaint.
- When a coverage decision we made is reviewed and our plan is told that we must cover or reimburse you for certain drugs, there are deadlines that apply. If you think we are not meeting these deadlines, you can make a complaint.
- When our plan does not give you a decision on time, we are required to forward your case to the Independent Review Organization. If we do not do that within the required deadline, you can make a complaint.

<b>Section 7.2</b>	<b>The formal name for “making a complaint” is “filing a grievance”</b>
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Legal Terms	• What this section calls a “ <b>complaint</b> ” is also
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called a “grievance.”

- Another term for “making a complaint” is “filing a grievance.”
- Another way to say “using the process for complaints” is “using the process for filing a grievance.”

### Section 7.3 Step-by-step: Making a complaint

#### **Step 1: Contact us promptly – either by phone or in writing.**

- **Usually, calling Customer Service is the first step.** If there is anything else you need to do, Customer Service will let you know. 1-866-249-6176, *TTY/TDD 1-866-236-1069*, *Hours of operation: 24 hours a day, 7 days a week.*
- **If you do not wish to call (or you called and were not satisfied), you can put your complaint in writing and send it to us.** If you do this, it means that we will use our *formal procedure* for answering grievances. Here’s how it works:
  - If we cannot resolve your complaint over the phone, we have a formal procedure to review your complaints. We call this a formal grievance procedure. If you have a formal grievance, you may write to our grievance area. Please refer to Chapter 7 for contract information. Be sure to provide all pertinent information. An expedited grievance may be granted if you feel your health condition could seriously jeopardize your life or health. If you have an expedited grievance, you may write or call us. Please refer to Chapter 7 for contact information. We must decide within 24 hours from the receipt of your request to deny or delay your request. If we determine to expedite your request, we will do so immediately and notify you verbally of our decision. If the criteria for an expedited grievance is not met, the standard grievance process will be followed.
- **Whether you call or write, you should contact Customer Service right away.** The complaint must be made within 60 days after you had the problem you want to complain about.
- **If you are making a complaint because we denied your request for a “fast response” to a coverage decision or appeal, we will automatically give you a “fast” complaint.** If you have a “fast” complaint, it means we will give you **an answer within 24 hours.**

Legal Terms    What this section calls a “fast complaint” is also called a “fast grievance.”

#### **Step 2: We look into your complaint and give you our answer.**

- **If possible, we will answer you right away.** If you call us with a complaint, we may be able to give you an answer on the same phone call. If your health condition requires us to answer quickly, we will do that.
- **Most complaints are answered in 30 days, but we may take up to 44 days.** If we need more information and the delay is in your best interest or if you ask for more time, we can take up to 14 more days (44 days total) to answer your complaint.
- **If we do not agree** with some or all of your complaint or don't take responsibility for the problem you are complaining about, we will let you know. Our response will include our reasons for this answer. We must respond whether we agree with the complaint or not.

<b>Section 7.4</b>	<b>You can also make complaints about quality of care to the Quality Improvement Organization</b>
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You can make your complaint about the quality of care you received to our Plan by using the step-by-step process outlined above.

When your complaint is about *quality of care*, you also have two extra options:

- **You can make your complaint to the Quality Improvement Organization.** If you prefer, you can make your complaint about the quality of care you received directly to this organization (*without* making the complaint to our Plan). To find the name, address, and phone number of the Quality Improvement Organization in your state, look in Chapter 2, Section 4, of this booklet. If you make a complaint to this organization, we will work together with them to resolve your complaint.
- **Or you can make your complaint to both at the same time.** If you wish, you can make your complaint about quality of care to our Plan and also to the Quality Improvement Organization.

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## **Chapter 8. Ending your membership in the plan**

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## SECTION 1 Introduction

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<b>Section 1.1</b>	<b>This chapter focuses on ending your membership in our Plan</b>
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Ending your membership in *our Plan* may be **voluntary** (your own choice) or **involuntary** (not your own choice):

- You might leave our Plan because you have decided that you *want* to leave.
  - There are only certain times during the year, or certain situations, when you may voluntarily end your membership in the plan. Section 2 tells you *when* you can end your membership in the plan.
  - The process for voluntarily ending your membership varies depending on what type of new coverage you are choosing. Section 3 tells you *how* to end your membership in each situation.
- There are also limited situations where you do not choose to leave, but we are required to end your membership. Section 5 tells you about situations when we must end your membership.

If you are leaving our Plan, you must continue to get your Part D prescription drugs through our Plan until your membership ends.

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## SECTION 2 When can you end your membership in our Plan?

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You may end your membership in our Plan only during certain times of the year, known as enrollment periods. All members have the opportunity to leave the plan during the Annual Enrollment Period. In certain situations, you may also be eligible to leave the plan at other times of the year.

<b>Section 2.1</b>	<b>Usually, you can end your membership during the Annual Enrollment Period</b>
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You can end your membership during the **Annual Enrollment Period** (also known as the “Annual Coordinated Election Period”). This is the time when you should review your health and drug coverage and make a decision about your coverage for the upcoming year.

- **When is the Annual Enrollment Period?** This happens every year from November 15 to December 31.

- **What type of plan can you switch to during the Annual Enrollment Period?**  
 During this time, you can review your health coverage and your prescription drug coverage. You can choose to keep your current coverage or make changes to your coverage for the upcoming year. If you decide to change to a new plan, you can choose any of the following types of plans:
  - Another Medicare prescription drug plan.
  - Original Medicare *without* a separate Medicare prescription drug plan.
  - – *or* – A Medicare Advantage plan. A Medicare Advantage plan is a plan offered by a private company that contracts with Medicare to provide all of the Medicare Part A (Hospital) and Part B (Medical) benefits. Some Medicare Advantage plans also include Part D prescription drug coverage.
    - If you enroll in most Medicare Advantage plans, you will be disenrolled from *our Plan* when your new plan’s coverage begins. However, if you choose a Private Fee-For-Service plan without Part D drug coverage, a Medicare Medical Savings Account plan, or a Medicare Cost Plan, you can enroll in that plan and keep *our Plan* for your drug coverage. If you do not want to keep our Plan, you can choose to enroll in another Medicare prescription drug plan or to drop Medicare prescription drug coverage.

**Note:** If you disenroll from a Medicare prescription drug plan and go without creditable prescription drug coverage, you may need to pay a late enrollment penalty if you join a Medicare drug plan later. (“Creditable” coverage means the coverage is at least as good as Medicare’s standard prescription drug coverage.)
- **When will your membership end?** Your membership will end when your new plan’s coverage begins on January 1.

**Section 2.2      You can end your membership during the Medicare Advantage Open Enrollment Period, but your plan choices are more limited**

You have the opportunity to make *one* change to your health coverage during the **Medicare Advantage Open Enrollment Period**.

- **When is the Medicare Advantage Open Enrollment Period?** This happens every year from January 1 to March 31.
- **What type of plan can you switch to during the Medicare Advantage Open Enrollment Period?** During this time, you can make *one* change to your health plan coverage. However, you may *not* add or drop prescription drug coverage during this

time. Since you are currently enrolled in a Medicare prescription drug plan, this means that you can enroll in:

- A Medicare Advantage plan with prescription drug coverage. (A Medicare Advantage plan is a plan offered by a private company that contracts with Medicare to provide all of the Medicare Part A (Hospital) and Part B (Medical) benefits.)
- **Note:** You can also enroll in a Medicare Private Fee-For-Service Plan without prescription drug coverage or a Medicare Cost Plan. But in these cases, you must keep your prescription drug coverage through our Plan.
- **When will your membership end?** Your membership will end on the first day of the month after we get your request to change plans.

<b>Section 2.3</b>	<b>In certain situations, you can end your membership during a Special Enrollment Period</b>
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In certain situations, members of *our Plan* may be eligible to end their membership at other times of the year. This is known as a **Special Enrollment Period**.

- **Who is eligible for a Special Enrollment Period?** If any of the following situations apply to you, you are eligible to end your membership during a Special Enrollment Period. These are just examples, for the full list you can contact the plan, call Medicare, or visit the Medicare website (<http://www.medicare.gov>):
  - If you have moved out of your plan's service area.
  - If you have Medicaid.
  - If you are eligible for Extra Help with paying for your Medicare prescriptions.
  - If you live in a facility, such as a nursing home.
- **When are Special Enrollment Periods?** The enrollment periods vary depending on your situation.
- **What can you do?** If you are eligible to end your membership because of a special situation, you can choose to change both your Medicare health coverage and prescription drug coverage. This means you can choose any of the following types of plans:
  - Another Medicare prescription drug plan.
  - Original Medicare *without* a separate Medicare prescription drug plan.

- – *or* – A Medicare Advantage plan. A Medicare Advantage plan is a plan offered by a private company that contracts with Medicare to provide all of the Medicare Part A (Hospital) and Part B (Medical) benefits. Some Medicare Advantage plans also include Part D prescription drug coverage.
  - If you enroll in most Medicare Advantage plans, you will automatically be disenrolled from our Plan when your new plan’s coverage begins. However, if you choose a Private Fee-For-Service plan without Part D drug coverage, a Medicare Medical Savings Account plan, or a Medicare Cost Plan, you can enroll in that plan and keep our Plan for your drug coverage. If you do not want to keep our Plan, you can choose to enroll in another Medicare prescription drug plan or to drop Medicare prescription drug coverage.

**Note:** If you disenroll from a Medicare prescription drug plan and go without creditable prescription drug coverage, you may need to pay a late enrollment penalty if you join a Medicare drug plan later. (“Creditable” coverage means the coverage is at least as good as Medicare’s standard prescription drug coverage.)

- **When will your membership end?** Your membership will usually end on the first day of the month after we receive your request to change your plan.

<b>Section 2.4</b>	<b>Where can you get more information about when you can end your membership?</b>
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If you have any questions or would like more information on when you can end your membership:

- You can **call Customer Service** (phone numbers are on the cover of this booklet).
- You can find the information in the *Medicare & You 2010* handbook.
  - Everyone with Medicare receives a copy of *Medicare & You* each fall. Those new to Medicare receive it within a month after first signing up.
  - You can also download a copy from the Medicare website (<http://www.medicare.gov>). Or, you can order a printed copy by calling Medicare at the number below.
- You can contact **Medicare** at 1-800-MEDICARE (1-800-633-4227) 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.

## SECTION 3 How do you end your membership in our Plan?

### Section 3.1 You end your membership by enrolling in another plan

Usually, to end your membership in our Plan, you simply enroll in another Medicare plan during one of the enrollment periods (see Section 2 for information about the enrollment periods). There are a couple of exceptions:

- One exception is when you want to switch from our Plan to Original Medicare *without* a Medicare prescription drug plan. In this situation, you must contact *our Plan's* Customer Service and ask to be disenrolled from our Plan.
- Another exception is if you join a Private Fee-For-Service plan without prescription drug coverage, a Medicare Medical Savings Account Plan, or a Medicare Cost Plan. In this case, you can enroll in that plan and keep *our Plan* for your drug coverage. If you do not want to keep our Plan, you can choose to enroll in another Medicare prescription drug plan or to drop your Medicare prescription drug coverage.

The table below explains how you should end your membership in our Plan.

<b>If you would like to switch from our Plan to:</b>	<b>This is what you should do:</b>
<ul style="list-style-type: none"> <li>• Another Medicare prescription drug plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Enroll in the new Medicare prescription drug plan.</li> </ul> <p>You will automatically be disenrolled from our Plan when your new plan's coverage begins.</p>
<ul style="list-style-type: none"> <li>• A Medicare Advantage plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Enroll in the Medicare Advantage plan.</li> </ul> <p>With most Medicare Advantage plans, you will automatically be disenrolled from our Plan when your new plan's coverage begins.</p> <p>However, if you choose a Private Fee-For-Service plan without Part D drug coverage, a Medicare Medical Savings Account plan, or a Medicare Cost Plan, you can enroll in that new plan and keep our Plan for your drug coverage. If you</p>

If you would like to switch from our Plan to:	This is what you should do:
	want to leave our Plan, you must <i>either</i> enroll in another Medicare prescription drug plan <i>or</i> contact Customer Service or Medicare and ask to be disenrolled.
<ul style="list-style-type: none"><li>• Original Medicare <i>without</i> a separate Medicare prescription drug plan.</li></ul>	<ul style="list-style-type: none"><li>• <b>Contact Customer Service and ask to be disenrolled from the plan (phone numbers are on the cover of this booklet).</b></li><li>• You can also contact <b>Medicare</b> at 1-800-MEDICARE (1-800-633-4227) and ask to be disenrolled. TTY users should call 1-877-486-2048.</li></ul>

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## **SECTION 4      Until your membership ends, you must keep getting your drugs through our Plan**

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<b>Section 4.1</b>	<b>Until your membership ends, you are still a member of our Plan</b>
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If you leave our Plan, it may take time before your membership ends and your new Medicare coverage goes into effect. (See Section 2 for information on when your new coverage begins.) During this time, you must continue to get your prescription drugs through our Plan.

- **You should continue to use our network pharmacies to get your prescriptions filled until your membership in our Plan ends.** Usually, your prescription drugs are only covered if they are filled at a network pharmacy including through our mail-order pharmacy services.

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## **SECTION 5      Our Plan must end your membership in the plan in certain situations**

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<b>Section 5.1      When must we end your membership in the plan?</b>
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*Our Plan* must end your membership in the plan if any of the following happen:

- If you do not stay continuously enrolled in Medicare Part A or Part B (or both).
- If you move out of our service area for more than six months.
  - If you move or take a long trip, you need to call Customer Service to find out if the place you are moving or traveling to is in our Plan's area.
- If you lie about or withhold information about other insurance you have that provides prescription drug coverage.
- If you intentionally give us incorrect information when you are enrolling in our Plan and that information affects your eligibility for our Plan.
- If you continuously behave in a way that is disruptive and makes it difficult for us to provide care for you and other members of our Plan.
  - We cannot make you leave our Plan for this reason unless we get permission from Medicare first.
- If you let someone else use your membership card to get prescription drugs.
  - If we end your membership because of this reason, Medicare may have your case investigated by the Inspector General.
- If you do not pay the plan premiums for 60 day grace period.
  - We must notify you in writing that you have a 60 day grace period to pay the plan premium before we end your membership.

### **Where can you get more information?**

If you have questions or would like more information on when we can end your membership:

- You can call **Customer Service** for more information (phone numbers are on the cover of this booklet).

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<b>Section 5.2</b>	<b>We <u>cannot</u> ask you to leave our Plan for any reason related to your health</b>
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**What should you do if this happens?**

If you feel that you are being asked to leave our Plan because of a health-related reason, you should call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You may call 24 hours a day, 7 days a week.

<b>Section 5.3</b>	<b>You have the right to make a complaint if we end your membership in our Plan</b>
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If we end your membership in our Plan, we must tell you our reasons in writing for ending your membership. We must also explain how you can make a complaint about our decision to end your membership. You can also look in Chapter 7, Section 7 for information about how to make a complaint.

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**Chapter 9. Legal notices**

**SECTION 1 Notice about governing law ..... 108**

**SECTION 2 Notice about nondiscrimination ..... 108**

**SECTION 3 Notice about coverage during unforeseen circumstances ..... 108**

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## **SECTION 1      Notice about governing law**

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Many laws apply to this *Evidence of Coverage* and some additional provisions may apply because they are required by law. This may affect your rights and responsibilities even if the laws are not included or explained in this document. The principal law that applies to this document is Title XVIII of the Social Security Act and the regulations created under the Social Security Act by the Centers for Medicare & Medicaid Services, or CMS. In addition, other Federal laws may apply and, under certain circumstances, the laws of the state you live in.

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## **SECTION 2      Notice about nondiscrimination**

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We don't discriminate based on a person's race, disability, religion, sex, health, ethnicity, creed, age, or national origin. All organizations that provide Medicare Advantage Plans, like our Plan, must obey Federal laws against discrimination, including Title VI of the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, the Americans with Disabilities Act, all other laws that apply to organizations that get Federal funding, and any other laws and rules that apply for any other reason.

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## **SECTION 3      Notice about coverage during unforeseen circumstances**

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Provision of benefits and services under Horizon Medicare Blue Rx Standard and Horizon Medicare Blue Rx Enhanced could be delayed or rendered impracticable by circumstances not reasonably within the control of Horizon Blue Cross Blue Shield of New Jersey, or pharmacies, such as: an epidemic; a terrorist event; a major disaster; the complete or partial destruction of pharmacies because of war; riot or civil insurrection; the disability of a significant number of pharmacies; or similar causes. In this event, neither Horizon Blue Cross Blue Shield of New Jersey, nor any pharmacy shall have any liability or obligation for delay or failure to provide such services provided they have, in good faith, used their best efforts to render services to the extent practicable: 1) according to their best judgment; and 2) within the limitation of the facilities and personnel then available. Coverage during a federal disaster or other public health emergency declaration will be provided pursuant to CMS requirements.

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## **Chapter 10. Definitions of important words**

**Appeal** – An appeal is something you do if you disagree with a decision to deny a request for health care services or prescription drugs or payment for services or drugs you already received. You may also make an appeal if you disagree with a decision to stop services that you are receiving. For example, you may ask for an appeal if our Plan doesn't pay for a drug, item, or service you think you should be able to receive. Chapter 7 explains appeals, including the process involved in making an appeal.

**Brand Name Drug** – A prescription drug that is manufactured and sold by the pharmaceutical company that originally researched and developed the drug. Brand name drugs have the same active-ingredient formula as the generic version of the drug. However, generic drugs are manufactured and sold by other drug manufacturers and are generally not available until after the patent on the brand name drug has expired.

**Catastrophic Coverage Stage** – The stage in the Part D Drug Benefit where you pay a low copayment or coinsurance for your drugs after you or other qualified parties on your behalf have spent \$4,550.00 in covered drugs during the covered year.

**Centers for Medicare & Medicaid Services (CMS)** – The Federal agency that runs Medicare. Section 2 explains how to contact CMS.

**Cost-sharing** – Cost-sharing refers to amounts that a member has to pay when drugs are received. It includes any combination of the following three types of payments: (1) any deductible amount a plan may impose before drugs are covered; (2) any fixed "copayment" amounts that a plan may require be paid when specific drugs are received; or (3) any "coinsurance" amount that must be paid as a percentage of the total amount paid for a drug.

**Cost-sharing Tier** – Every drug on the list of covered drugs is in one of four cost-sharing tier. In general, the higher the cost-sharing tier, the higher your cost for the drug.

**Coverage Determination** – A decision about whether a drug prescribed for you is covered by the plan and the amount, if any, you are required to pay for the prescription. In general, if you bring your prescription to a pharmacy and the pharmacy tells you the prescription isn't covered under your plan, that isn't a coverage determination. You need to call or write to your plan to ask for a formal decision about the coverage if you disagree.

**Covered Drugs** – The term we use to mean all of the prescription drugs covered by our Plan.

**Creditable Prescription Drug Coverage** – Prescription drug coverage (for example, from an employer or union) that is expected to cover, on average, at least as much as Medicare's standard prescription drug coverage. People who have this kind of coverage when they become eligible

for Medicare can generally keep that coverage without paying a penalty, if they decide to enroll in Medicare prescription drug coverage later.

**Customer Service** – A department within our Plan responsible for answering your questions about your membership, benefits, grievances, and appeals. See Chapter 2 for information about how to contact Customer Service.

**Deductible** – The amount you must pay before our Plan begins to pay its share of your covered drugs.

**Disenroll** or **Disenrollment** – The process of ending your membership in our Plan. Disenrollment may be voluntary (your own choice) or involuntary (not your own choice).

**Evidence of Coverage (EOC) and Disclosure Information** – This document, along with your enrollment form and any other attachments, riders, or other optional coverage selected, which explains your coverage, what we must do, your rights, and what you have to do as a member of our Plan.

**Exception** – A type of coverage determination that, if approved, allows you to get a drug that is not on your plan sponsor's formulary (a formulary exception), or get a non-preferred drug at the preferred cost-sharing level (a tiering exception). You may also request an exception if your plan sponsor requires you to try another drug before receiving the drug you are requesting, or the Plan limits the quantity or dosage of the drug you are requesting (a formulary exception).

**Generic Drug** – A prescription drug that is approved by the Food and Drug Administration (FDA) as having the same active ingredient(s) as the brand-name drug. Generally, generic drugs cost less than brand-name drugs.

**Grievance** – A type of complaint you make about us or one of our network pharmacies, including a complaint concerning the quality of your care. This type of complaint does not involve coverage or payment disputes.

**Initial Coverage Limit** – The maximum limit of coverage under the Initial Coverage Stage.

**Initial Coverage Stage** – This is the stage after you have met your deductible and before your total drug expenses, have reached \$2,830.00, including amounts you've paid and what our Plan has paid on your behalf.

**Late Enrollment Penalty** – An amount added to your monthly premium for Medicare drug coverage if you go without creditable coverage (coverage that expects to pay, on average, at least as much as standard Medicare prescription drug coverage) for a continuous period of 63 days or more. You pay this higher amount as long as you have a Medicare drug plan. There are some exceptions.

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**List of Covered Drugs (Formulary or “Drug List”)** – A list of covered drugs provided by the plan. The drugs on this list are selected by the plan with the help of doctors and pharmacists. The list includes both brand-name and generic drugs.

**Low Income Subsidy/Extra Help** – A Medicare program to help people with limited income and resources pay Medicare prescription drug program costs, such as premiums, deductibles, and coinsurance.

**Medically Necessary** – Drugs that are proper and needed for the diagnosis or treatment of your medical condition; are used for the diagnosis, direct care, and treatment of your medical condition; meet the standards of good medical practice in the local community; and are not mainly for your convenience or that of your doctor.

**Medicare** – The Federal health insurance program for people 65 years of age or older, some people under age 65 with certain disabilities, and people with End-Stage Renal Disease (generally those with permanent kidney failure who need dialysis or a kidney transplant).

**Medicare Advantage (MA) Plan** – Sometimes called Medicare Part C. A plan offered by a private company that contracts with Medicare to provide you with all your Medicare Part A (Hospital) and Part B (Medical) benefits. A MA plan offers a specific set of health benefits at the same premium and level of cost-sharing to all people with Medicare who live in the service area covered by the Plan. Medicare Advantage Organizations can offer one or more Medicare Advantage plan in the same service area. A Medicare Advantage plan can be an HMO, PPO, a Private Fee-for-Service (PFFS) plan, or a Medicare Medical Savings Account (MSA) plan. In most cases, Medicare Advantage Plans also offer Medicare Part D (prescription drug coverage). These plans are called **Medicare Advantage Plans with Prescription Drug Coverage**. Everyone who has Medicare Part A and Part B is eligible to join any Medicare Health Plan that is offered in their area, except people with End-Stage Renal Disease (unless certain exceptions apply).

**Medicare Prescription Drug Coverage (Medicare Part D)** – Insurance to help pay for outpatient prescription drugs, vaccines, biologicals, and some supplies not covered by Medicare Part A or Part B.

**“Medigap” (Medicare Supplement Insurance) Policy** – Medicare supplement insurance sold by private insurance companies to fill “gaps” in Original Medicare. Medigap policies only work with Original Medicare. (A Medicare Advantage plan is not a Medigap policy.)

**Member (Member of our Plan, or “Plan Member”)** – A person with Medicare who is eligible to get covered services, who has enrolled in our Plan and whose enrollment has been confirmed by the Centers for Medicare & Medicaid Services (CMS).

**Network Pharmacy** – A network pharmacy is a pharmacy where members of our Plan can get their prescription drug benefits. We call them “network pharmacies” because they contract with

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our Plan. In most cases, your prescriptions are covered only if they are filled at one of our network pharmacies.

**Original Medicare** (“Traditional Medicare” or “Fee-for-service” Medicare) – Original Medicare is offered by the government, and not a private health plan like Medicare Advantage plans and prescription drug plans. Under Original Medicare, Medicare services are covered by paying doctors, hospitals and other health care providers payment amounts established by Congress. You can see any doctor, hospital, or other health care provider that accepts Medicare. You must pay the deductible. Medicare pays its share of the Medicare-approved amount, and you pay your share. Original Medicare has two parts: Part A (Hospital Insurance) and Part B (Medical Insurance) and is available everywhere in the United States.

**Out-of-network Pharmacy** – A pharmacy that doesn’t have a contract with our Plan to coordinate or provide covered drugs to members of our Plan. As explained in this Evidence of Coverage, most drugs you get from out-of-network pharmacies are not covered by our Plan unless certain conditions apply.

**Part C** – see “**Medicare Advantage (MA) Plan**”.

**Part D** – The voluntary Medicare Prescription Drug Benefit Program. (For ease of reference, we will refer to the prescription drug benefit program as Part D.)

**Part D Drugs** – Drugs that can be covered under Part D. We may or may not offer all Part D drugs. (See your formulary for a specific list of covered drugs.) Certain categories of drugs were specifically excluded by Congress from being covered as Part D drugs.

**Prior Authorization** – Approval in advance to get certain drugs that may or may not be on our formulary. Some drugs are covered only if your doctor or other network provider gets “prior authorization” from us. Covered drugs that need prior authorization are marked in the formulary.

**Quality Improvement Organization (QIO)** – Groups of practicing doctors and other health care experts that are paid by the Federal government to check and improve the care given to Medicare patients. They must review your complaints about the quality of care given by Medicare Providers. See Chapter 2 for information about how to contact the QIO in your state and Chapter 7 for information about making complaints to the QIO.

**Quantity Limits** – A management tool that is designed to limit the use of selected drugs for quality, safety, or utilization reasons. Limits may be on the amount of the drug that we cover per prescription or for a defined period of time.

**Service Area** – “Service area” is the geographic area approved by the Centers for Medicare & Medicaid Services (CMS) within which an eligible individual may enroll in a certain plan, and in the case of network plans, where a network must be available to provide services.

**Skilled Nursing Facility (SNF) Care** – A level of care in a SNF ordered by a doctor that must be given or supervised by licensed health care professionals. It may be skilled nursing care, or skilled rehabilitation services, or both. Skilled nursing care includes services that require the skills of a licensed nurse to perform or supervise. Skilled rehabilitation services are physical therapy, speech therapy and occupational therapy. Physical therapy includes exercise to improve the movement and strength of an area of the body, and training on how to use special equipment, such as how to use a walker or get in and out of a wheelchair. Speech therapy includes exercise to regain and strengthen speech and/or swallowing skills. Occupational therapy helps you learn how to perform usual daily activities, such as eating and dressing by yourself.

**Step Therapy** – A utilization tool that requires you to first try another drug to treat your medical condition before we will cover the drug your physician may have initially prescribed.

**Supplemental Security Income (SSI)** – A monthly benefit paid by the Social Security Administration to people with limited income and resources who are disabled, blind, or age 65 and older. SSI benefits are not the same as Social Security benefits.