



COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

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To: LODA Health Benefits Plan – Medicare Primary Participants

Following is your annual update of LODA health benefits coverage and information for your new plan year that begins on January 1, 2023.

NOTE: Annual updates for LODA Health Benefits Plan participant who are not eligible for Medicare will be provided prior to their new plan year that will begin July 1, 2023.

Your 2023 Benefits

▪ **Medical Benefits**

There will be no change in your **LODA Plan – Medicare Primary** supplemental benefits or other covered medical benefits for 2023. Consult your “*Medicare and You – 2023*” publication regarding any changes to your primary Medicare coverage for 2023.

▪ **Dental and Vision Benefits**

There will be no changes to the dental and vision benefits under this plan for 2023.

▪ **Prescription Drug Benefits**

Important Message About What You Pay for Insulin – You won’t pay more than \$35 for a one-month supply for each insulin product covered by our plan, no matter its cost-sharing tier. If the plan covers insulin at a lower cost-sharing amount, you will pay the lower amount. If the plan has a deductible, there is no deductible for covered insulins.

There will be no changes in your prescription drug copayment or coinsurance levels based on the tier of covered drugs. Coverage stage updates are provided later in this section.

Evidence of Coverage (EOC): For more information about your Medicare Part D prescription drug benefits, you may access your Express Scripts Medicare Evidence of Coverage at www.express-scripts.com/documents or you can request a copy by contacting

Customer Service at 1-800-572-4098. TTY users can contact 1-800-716-3231. This document is a resource for rights and rules you will need to follow for covered services and drugs under this plan.

Formulary (Drug List): Like all Medicare Part D plans, this plan has a formulary, which is the list of covered drugs. You will not automatically receive a printed formulary booklet, but you may obtain formulary information by logging in at www.express-scripts.com/documents or by calling Customer Service at 1-800-572-4098. TTY users can call 1-800-716-3231.

You are encouraged to use this resource to check the status of maintenance drugs that you are currently taking to be sure that there are no changes. However, anyone who is taking a drug that will experience a formulary change effective January 1, 2023 (e.g., higher out-of-pocket cost, no longer included on the formulary, new coverage restrictions, changes approved by Medicare), will receive individual notification from Express Scripts Medicare before January 1, 2023. Your Annual Notice of Changes from Express Scripts has additional information about your options should you experience a formulary change.

Four Coverage Stages

Following is a summary of the 2023 coverage stages. Be sure to review the limits and benefits of each stage so that you understand your coverage.

Deductible Stage – Your annual outpatient prescription drug deductible will increase to **\$505** in **2023**. This means that you will pay the full cost of any covered brand-name drug until you have paid **\$505** out-of-pocket. Covered generics continue to be excluded from any deductible.

Initial Coverage Stage – There are no changes in copayments and coinsurance for each cost-sharing tier for 2023. Once your deductible has been met for covered brand drugs (and immediately for covered generics), your copayments/coinsurance will remain as follows until your total covered drug cost reaches **\$4,660**.

Initial Coverage Stage - Covered Tier 1 (generic) Drugs

**deductible does not apply*

	2023 Copayment
Per one-month (up to 34-day) supply at a retail network pharmacy	\$7
Per up to a 90-day supply through the home delivery service	\$7

Initial Coverage Stage - Covered Tier 2 (preferred brand) Drugs

	2023 Copayment
Per one-month (up to 34-day) supply at a retail network pharmacy	\$25
Per up to a 90-day supply through the home delivery service	\$50

Initial Coverage Stage - Covered Tier 3 (non-preferred brand) Drugs

	2023 Coinsurance
Per one-month (up to 34-day) supply at a retail network pharmacy	You pay 75%
Per up to a 90-day supply through the home delivery service	You pay 75%

Initial Coverage Stage - Covered Tier 4 (specialty) Drugs

	2023 Coinsurance
Per one-month (up to 34-day) supply at a retail network pharmacy	You pay 25%
Per up to a 90-day supply through the home delivery service	You pay 25%

Coverage Gap Stage – *This plan does not have a coverage gap.* After your total drug costs reach **\$4,660** in the 2023 plan year (the point at which standard plans reach their Coverage Gap), this plan will generally cover generic and formulary brand-name drugs at the same copayment or coinsurance as in the Initial Coverage Stage. However, due to the Medicare Coverage Gap Discount Program, the amount you pay for non-preferred drugs may be lower. You will stay in this stage until your out-of-pocket drug cost plus the amount paid by the Coverage Gap Discount Program for this plan year reaches **\$7,400**. The plan's Evidence of Coverage has complete information.

Catastrophic Coverage Stage – In 2023, if your annual true out-of-pocket drug expense (including deductible, copayments, coinsurance, and the contribution from the Medicare Coverage Gap Discount Program, but not including the cost of non-covered or excluded drugs) reaches **\$7,400**, you will pay the greater of either 5% coinsurance or a copayment of **\$4.15** (generics or drugs treated as generics) or **\$10.35** (brand-name drugs). You will remain in this stage for the remainder of the year.

Express Scripts Mobile App – You can manage your prescriptions using your mobile device by registering for the Express Scripts Mobile App. Go to www.express-scripts.com or your mobile device's app store to register.

Your Medicare Explanation of Benefits (EOB) – To help you track your coverage stages, you will receive an EOB directly from Express Scripts for any months during which you use your benefit. You may also obtain a copy electronically by accessing the website at www.express-scripts.com or by contacting Express Scripts Medicare Customer Service at 1-800-572-4098. TTY callers contact 1-800-716-3231.

Notice of Creditable Coverage – The outpatient prescription drug coverage that is available through the LODA Health Benefits Plans to its Medicare-eligible retiree group participants is a Medicare Part D plan and, therefore, creditable coverage. As such, a Notice of Creditable Coverage is not required. However, beneficiaries will not have to pay a higher premium for any period during which they are enrolled in this plan if they decide later to enroll in other Medicare Part D coverage, as long as there is not a break in creditable coverage of 63 or more days.

Enrolling in Part D Plans Outside of the LODA Program – If you enroll in a Medicare Part D plan other than the ***LODA Plan – Medicare Primary*** in which you are enrolled, it will generally result in termination of your LODA Plan coverage since Medicare does not allow enrollment in more than one Medicare Part D plan, and the LODA Health Benefits Plans do not offer a Medicare-coordinating plan that does not include prescription drug coverage.

Formulary (Drug List): You will not receive a printed formulary booklet in your Annual Notice of Changes package from Express Scripts Medicare. However, you may obtain formulary information by logging in at www.express-scripts.com/documents or by calling Customer Service at 1-800-572-4098. TTY users can call 1-800-716-3231.

General Information

Will I get new ID Cards for 2023?

New ID cards will not be distributed for 2023. You may continue to use your existing ID cards.

Will I get a new Member Handbook/Summary Plan Description for 2023?

Please continue to use your 2017 Summary Plan Description (SPD) along with any subsequent annual updates (Summaries of Material Modifications) and your Express Scripts Annual Notice of Changes as your resource for covered services.

Can I enroll in additional Medicare Part D prescription drug coverage?

If you enroll in a Medicare Part D plan other than the **LODA Plan – Medicare Primary** in which you are enrolled, it will generally result in termination of your LODA Plan coverage since Medicare does not allow enrollment in more than one Medicare Part D plan, and the LODA Health Benefits Plans do not offer a Medicare-coordinating plan that does not include prescription drug coverage.

As a reminder, be sure to notify DHRM if the following eligibility events occur:

- Surviving spouses who remarry will lose eligibility for the LODA Program. You must report this to DHRM immediately, and coverage will be terminated at the end of the month in which the marriage occurs. This will not result in loss of coverage for eligible surviving children. (Remarriages prior to July 1, 2017, did not affect eligibility.)
- The disabled person must report if they return to work in a LODA covered position. This will result in loss of eligibility for the LODA Plans, including their covered family members.
- Report any changes in your Medicare eligibility status.
- LODA-disabled participants must report divorce from their covered spouse. This will result in the former spouse's loss of eligibility at the end of the month in which the final divorce occurs. Members who fail to remove ineligible persons within the 60-day window, will be responsible for all claims paid in error, including any claims paid for prescription drugs.
- Any participant has a change in address or other contact information.

Medicare premium reimbursement

As a LODA recipient, you and your eligible spouse/dependents who maintain eligibility for coverage in this plan upon eligibility for Medicare qualify for reimbursement of any Medicare premium that is being paid directly. (See your Summary Plan Description for more information.) To be reimbursed you must provide documentation of your 2023 Medicare Part B premium and, if applicable, your Part D income-related adjustment amount (IRMAA). Documentation may be submitted by:

- Fax to 804-371-0231, or
- Email to LODA @dhrm.virginia.gov or
- Mail to Department of Human Resource Management LODA Health Benefits Plans, 101 North 14th St, 13th Floor Richmond, VA 23219-3684.

Reimbursements are processed quarterly on the 25th of March, June, September and December for the prospective three months. For example, upon receipt of required documentation, the December payment would include reimbursement for January, February and March. Required documentation will be requested on an annual basis to confirm the reimbursement amount of your Medicare Part B premium.

Summary Annual Report

In compliance with the Employee Retirement Income Security Act of 1974 (ERISA), enclosed is the Summary Annual Report for this plan for 2021.

What are my resources for assistance?

Benefit	Contact for Assistance:
<ul style="list-style-type: none"> • LODA Plan – Medicare Primary Medicare Supplement • Routine Vision Coverage • Routine Hearing 	Anthem Blue Cross and Blue Shield 1-800-552-2682
Dental Coverage	Anthem Dental 1-855-648-1411
Medicare Part D Outpatient Prescription Drugs	Express Scripts Medicare 1-800-572-4098
Eligibility Questions (including address changes)	DHRM <ul style="list-style-type: none"> • Call 888-642-4414 (indicate you are calling regarding LODA) • Email at LODA@dhrm.virginia.gov • General information can be found at https://www.dhrm.virginia.gov/healthcoverage/loda-health-benefits

Enclosures:

- Language Assistance Notice
- Summary Annual Report