

*Commonwealth of Virginia Retiree Health Benefits Program*

# **Medicare-Coordinating Plan Options**

*Effective January 1, 2018*

## COMPARISON OF MEDICARE AND STATE SUPPLEMENTAL PLANS

Use the chart on pages one and two to review Medicare's benefits and the supplemental/Medicare-coordinating plan benefits available to State Retiree Health Benefits Program participants who are eligible for Medicare.

More information about optional prescription drug, dental and vision benefits are summarized on pages 3-5.

<b>Part A Services</b>	<b>Medicare</b>
<b>Hospital Inpatient (medical)</b>	<ul style="list-style-type: none"> <li>• Pays up to 60 days of medically necessary services, except Part A hospital deductible</li> <li>• Pays up to an additional 30 days, except daily copayment</li> <li>• If more than a 90-day hospital stay, can pay up to 60 Medicare lifetime reserve days, except daily copayment</li> <li>• No payment for more than a 90-day hospital stay per benefit period if no lifetime reserve days remain or if you choose not to use them</li> </ul>
<b>Skilled Nursing Facility</b>	<ul style="list-style-type: none"> <li>• Pays 100% for 20 days at a Medicare-certified skilled nursing facility</li> <li>• Pays up to an additional 80 days at a skilled nursing facility, except daily coinsurance</li> <li>• Medicare does not pay for more than 100 days at a skilled nursing facility in a benefit period</li> </ul>
<b>Part B Services</b>	<b>Medicare</b>
<b>Physician And Other Services</b>	<ul style="list-style-type: none"> <li>• Generally pays 80% of Medicare-approved charges for services such as a doctor's care and outpatient physical or occupational therapy (within limits). Certain screenings and wellness/preventive services are covered at no cost – see your "Medicare and You" publication for more information.</li> <li>• An annual deductible may apply</li> </ul>
<b>Part D Services</b>	<b>Medicare</b>
<b>Prescription Drug Coverage</b>	<ul style="list-style-type: none"> <li>• Pays a benefit based on the specific Part D plan in which the beneficiary is enrolled</li> </ul>
<b>Other Services</b>	<b>Medicare</b>
<b>Routine Vision Benefits</b>	<ul style="list-style-type: none"> <li>• Not covered</li> </ul>
<b>Routine Dental Benefits</b>	<ul style="list-style-type: none"> <li>• Not covered</li> </ul>
<b>Routine Hearing Benefits</b>	<ul style="list-style-type: none"> <li>• Not covered</li> </ul>
<b>Out-Of-Country And Major Medical Services</b>	<ul style="list-style-type: none"> <li>• Not covered</li> </ul>
<b>At Home Recovery Care And Visits</b>	<ul style="list-style-type: none"> <li>• Not covered</li> </ul>

**Note:** This chart is meant to provide a basic overview of Original Medicare coverage and the supplemental plans available under the state program. The Medicare-Coordinating Plans Member Handbook and applicable inserts, available at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov), include detailed information about benefits, exclusions, limitations and your responsibilities under these plans.

<b>Advantage 65</b>		<b>Advantage 65 – Medical Only</b>	
	<ul style="list-style-type: none"> <li>• Pays Medicare Part A deductible except for first \$100</li> <li>• Pays Medicare Part A copayment</li> <li>• Pays 100% of allowable charge for eligible expenses for an additional 365 days</li> </ul>		<ul style="list-style-type: none"> <li>• Pays Medicare Part A deductible except for first \$100</li> <li>• Pays Medicare Part A copayment</li> <li>• Pays 100% of allowable charge for eligible expenses for an additional 365 days</li> </ul>
	<ul style="list-style-type: none"> <li>• Pays Medicare Part A coinsurance (days 21-100)</li> <li>• Pays above coinsurance amount for an additional 80 days per Medicare benefit period</li> </ul>		<ul style="list-style-type: none"> <li>• Pays Medicare Part A coinsurance (days 21-100)</li> <li>• Pays above coinsurance amount for an additional 80 days per Medicare benefit period</li> </ul>
<b>Advantage 65</b>		<b>Advantage 65 – Medical Only</b>	
	<ul style="list-style-type: none"> <li>• Does not pay Medicare Part B deductible, but does pay Part B coinsurance</li> </ul>		<ul style="list-style-type: none"> <li>• Does not pay Medicare Part B deductible, but does pay Part B coinsurance</li> </ul>
<b>Advantage 65</b>		<b>Advantage 65 – Medical Only</b>	
	<ul style="list-style-type: none"> <li>• Enhanced Medicare Part D plan – see pages 4-5</li> </ul>		<ul style="list-style-type: none"> <li>• Does not include outpatient prescription drug coverage – once this plan is elected, participants may not elect a state program Medicare-coordinating plan with prescription drug coverage at a later date</li> <li>• Participants may elect drug coverage through another (non-state program) Medicare Part D plan or other creditable coverage</li> </ul>
<b>Advantage 65</b>		<b>Advantage 65 – Medical Only</b>	
	<ul style="list-style-type: none"> <li>• Optional – see page 3</li> </ul>		<ul style="list-style-type: none"> <li>• Optional – see page 3</li> </ul>
	<ul style="list-style-type: none"> <li>• Optional – see page 3</li> </ul>		<ul style="list-style-type: none"> <li>• Optional – see page 3</li> </ul>
	<ul style="list-style-type: none"> <li>• Pays for one routine hearing test every 48 months, except for \$40 copayment</li> <li>• Pays up to \$1,200 toward the cost of hearing aids and supplies every 48 months</li> </ul>		<ul style="list-style-type: none"> <li>• Pays for one routine hearing test every 48 months, except for \$40 copayment</li> <li>• Pays up to \$1,200 toward the cost of hearing aids and nd supplies every 48 months</li> </ul>
	<p><b>For Out-Of-Country services only:</b></p> <ul style="list-style-type: none"> <li>• Pays 80% of allowable charge after you pay \$250 calendar year deductible</li> </ul>		<p><b>For Out-of-Country services only:</b></p> <ul style="list-style-type: none"> <li>• Pays 80% of allowable charge after you pay \$250 calendar year deductible</li> </ul>
	<ul style="list-style-type: none"> <li>• Pays up to \$40 per visit, not to exceed \$1,600 each calendar year and 7 visits each week</li> </ul>		<ul style="list-style-type: none"> <li>• Pays up to \$40 per visit, not to exceed \$1,600 each calendar year and 7 visits each week</li> </ul>

## DENTAL/VISION OPTION

Dental/Vision coverage may be added to Advantage 65 or Advantage 65—Medical Only at any time, and it may be cancelled at any time. However, once the Dental/Vision option has been elected and cancelled one time under any Medicare-coordinating plan, it may not be elected again. When adding Dental/Vision, your election will be effective the first of the month following receipt of your request.

Dental Benefits	The Plan Pays:
<p>The maximum benefit per calendar year is \$2,000 per enrollee. There is no annual deductible. Some limitations may apply. See your Dental/Vision Member Handbook Insert for additional information.</p>	
<p><b>Diagnostic and Preventive Care, including:</b></p> <ul style="list-style-type: none"> <li>• Two routine oral evaluations, cleanings and bitewing x-rays per calendar year</li> <li>• One full mouth x-ray every three years</li> </ul>	<p>100% of the allowable charge</p>
<p><b>Basic Dental Care, including:</b></p> <ul style="list-style-type: none"> <li>• Fillings (<i>amalgam or composite resin</i>)</li> <li>• Simple extractions of natural teeth and surgical extractions of fully-erupted teeth</li> <li>• Root canal therapy (<i>endodontic</i>)</li> <li>• Repair of broken removable dentures</li> <li>• Re-cementing existing crowns, inlays and bridges (<i>once every 12 months – some limitations may apply</i>)</li> </ul>	<p>80% of the allowable charge</p>
<p><b>Major Dental Care, including:</b></p> <ul style="list-style-type: none"> <li>• Crowns (<i>single crowns, inlays and onlays</i>)</li> <li>• Prosthodontics (<i>partials or complete dentures and fixed bridges - once every five years</i>)</li> <li>• Dental Implants (<i>once every five years</i>)</li> </ul>	<p>5% of the allowable charge</p>
Vision Benefits	The Member Pays or Plan Allows:
<p>The following benefits apply to network providers. Your Dental/Vision Member Handbook Insert provides out-of-network benefit levels.</p>	
<p><b>Routine Vision Examination</b> (<i>once each plan year</i>)</p>	<p>\$20 copayment (<i>network provider</i>)</p>
<p><b>Eyeglass frames</b> (<i>once each plan year</i>)</p>	<p>\$100 allowance and 20% off remaining balance (<i>network provider</i>)</p>
<p><b>Eyeglass lenses</b> (<i>one of the following each plan year</i>)</p> <ul style="list-style-type: none"> <li>• Standard plastic single vision lenses (<i>one pair</i>)</li> <li>• Standard plastic bifocal lenses (<i>one pair</i>)</li> <li>• Standard plastic trifocal lenses (<i>one pair</i>)</li> <li>• Standard progressive lenses (<i>one pair</i>)</li> </ul> <p>OR</p> <p><b>Contact Lenses</b> (<i>one of the following each plan year</i>)</p> <ul style="list-style-type: none"> <li>• Elective conventional contact lenses</li> <li>• Elective disposable contact lenses</li> <li>• Non-Elective contact lenses</li> </ul> <p><b>Eyeglass lens upgrades</b></p> <ul style="list-style-type: none"> <li>• UV Coating</li> <li>• Tint (<i>solid and gradient</i>)</li> <li>• Standard scratch-resistance</li> <li>• Standard polycarbonate</li> <li>• Standard anti-reflective coating</li> <li>• Other add-ons and services</li> </ul>	<p>\$20 copayment (<i>network provider</i>)</p> <p>\$20 copayment (<i>network provider</i>)</p> <p>\$20 copayment (<i>network provider</i>)</p> <p>\$85 copayment (<i>network provider</i>)</p> <p>\$100 allowance and 15% discount off remaining balance (<i>network provider</i>)</p> <p>\$100 allowance (<i>network provider - no additional discount</i>)</p> <p>\$250 allowance (<i>network provider - no additional discount</i>)</p> <p>\$15 (<i>network provider</i>)</p> <p>\$15 (<i>network provider</i>)</p> <p>\$15 (<i>network provider</i>)</p> <p>\$40 (<i>network provider</i>)</p> <p>\$45 (<i>network provider</i>)</p> <p>20% off retail price (<i>network provider</i>)</p>

Use of a non-participating provider will generally result in a reduced benefit and higher out-of-pocket costs. Your Member Handbook Dental/Vision Insert includes additional information.

# ENHANCED MEDICARE PART D PLAN OPTION

Effective January 1 – December 31, 2018

Participants covered under the Advantage 65 Plan or Advantage 65 + Dental/Vision Plan will have the outpatient prescription drug coverage described below (pending Medicare approval). The level of coverage is based on:

- Whether the drug is included on the plan's formulary — the list of covered drugs that you will receive each year as a plan participant
  - Generally, drugs that are not on the plan's formulary will not be covered; however additional information regarding exceptions is provided in the Evidence of Coverage.
- The coverage tier of the drug — tiers are described in the chart below and are designated for all covered drugs in your formulary
- The coverage stage — each coverage stage is described below

**Deductible Stage** – A \$405 annual deductible will apply to covered brand-name drugs. There is no deductible for covered generics.

**Initial Coverage Stage** – Once the annual deductible has been met for covered brand-name drugs (and immediately for covered generics), the Initial Coverage Stage will provide the following benefit until total drug cost reaches \$3,750:

Drug Tier	Supply of Medication/ Method of Purchase	Your Copayment/Coinsurance Amount
<b>Tier 1 Generics</b>	Up to a 34-day supply of a covered generic drug at a participating retail pharmacy	\$7.00
<b>Tier 1 Generics</b>	Up to a 90-day supply of a covered generic drug purchased through the mail service program	\$7.00
<b>Tier 2 Preferred Brands</b>	Up to a 34-day supply of a covered preferred brand drug at a participating retail pharmacy	\$25.00 (after deductible)
<b>Tier 2 Preferred Brands</b>	Up to a 90-day supply of a covered preferred brand drug purchased through the mail service program	\$50.00 (after deductible)
<b>Tier 3 Non-Preferred Brands</b>	Up to a 34-day supply of a covered non-preferred brand drug at a participating retail pharmacy	75% of the cost of the drug (after deductible)
<b>Tier 3 Non-Preferred Brands</b>	Up to a 90-day supply of a covered non-preferred brand drug purchased through the mail service program	75% of the cost of the drug (after deductible)
<b>Tier 4 Specialty Drugs</b>	Up to a 34-day supply of a covered specialty drug at a participating retail pharmacy	25% of the cost of the drug (after deductible)
<b>Tier 4 Specialty Drugs</b>	Up to a 90-day supply of a covered specialty drug purchased through the mail service program	25% of the cost of the drug (after deductible)

Coverage Stages continued on page 5

**Coverage Gap Stage** – Once your total drug cost reaches \$3,750, participants move into the Coverage Gap Stage. In most cases, the amount paid in the Coverage Gap Stage will not be different from the amount paid in the Initial Coverage Stage (after any deductible was met). The way claims are paid changes. The Medicare Coverage Gap Discount program pays 50% of the cost of any covered brand drug manufactured by a program participant. The discount is applied to the cost of the drug, and the designated co-payment or coinsurance is applied. The plan pays the remaining cost.

Participants will not pay more than 35% of the cost of covered brand drugs in this stage. While generic drugs are not a part of the Medicare Coverage Gap Discount Program, the cost for covered generics will not exceed 44% in this stage. (In most cases, the plan provides a greater benefit.)

**Catastrophic Coverage Stage** – When a participant's 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 \$5,000, the cost for covered drugs would be reduced to the greater of either 5% coinsurance or a copayment of \$3.35 (generics or drugs treated as generics) or \$8.35 (brand-name drugs or all other covered drugs). Participants remain in this stage until the end of the year.

**Medicare Explanation of Benefits (EOB)** – To help participants track their coverage stages, an EOB is provided by the claims administrator for any months during which their benefit is used.

Your **Evidence of Coverage** provides more detailed information about this prescription drug coverage.