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To: State Retiree Health Benefits Program Extended Coverage/COBRA
Enrollees in Medicare-Primary Plans

From: Office of State and Local Health Benefits Programs

Date: November 15, 2022

Annual Benefit and Premium Rate Notification for 2023

This notification booklet includes information about coverage for Medicare-eligible participants in 2023. Be sure to read these materials carefully to ensure that you understand your options.

How much is my health plan premium for 2023?

	Premium Effective 1/1/2023
Advantage 65	\$300.90
Advantage 65 with Dental/Vision	\$336.60
Advantage 65 - Medical Only	\$180.54
Advantage 65 - Medical Only with Dental/Vision	\$216.24

All State Medicare-coordinating plan medical (including hearing), dental and routine vision benefits are administered by Anthem Blue Cross and Blue Shield. For plans that include prescription drug coverage (all but the Advantage 65—Medical Only Plans), the drug benefit is administered by Express Scripts and is an enhanced Medicare Part D plan.

Can my income affect the cost of Medicare Part D?

Beneficiaries with incomes above a level set by Medicare may have to pay a higher cost for Part D prescription drug coverage. You will be notified by Social Security if this applies to you. Any income-related adjustment will be collected through your Social Security or equivalent benefit and **not** as a part of your Commonwealth of Virginia Retiree Health Benefits Program premium.

Your income can also affect the cost your Part B medical coverage. Consult your “*Medicare and You 2023*” publication which has more information about the cost of Medicare Part B and Part D.

When will I begin paying my new 2023 premium?

Your 2023 premium will be billed in December for January's premium. If you have requested a change in coverage, the premium change may take place later depending on the date of your request. If you are paying through your financial institution, please ensure that you authorize the appropriate premium payment amount for January 1.

Your 2023 Benefits

Will my medical benefits change for 2023?

Your Medicare supplemental benefits and any other medical benefits under an Advantage 65 Plan will not change for 2023.

Consult your "Medicare and You 2023" publication to determine if there are any changes to your primary Medicare coverage for 2023.

Will my dental and vision benefits change for 2023?

For those enrolled in the dental/vision option, those benefits will not change for 2023.

Will my prescription drug benefits change for 2023?

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): 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 your rights and for rules you will need to follow for covered services and drugs under the plan.

Formulary (Drug List): You will not automatically receive a printed formulary booklet 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.

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 in December. Your Annual Notice of Changes 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	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 State – 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 State Retiree Health Benefits Program 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 State Program – Your enrollment in Medicare prescription drug coverage outside of the state program will result in your disenrollment from the state program's Medicare Part D plan. If you do not notify the state program of your other election, Medicare will do so. **Once you have enrolled in Medicare Part D coverage outside of the state program, you may not re-enroll in the state program's Part D plan.**

Enrollment in the state's enhanced Medicare Part D plan for outpatient prescription drug coverage must be approved by the Centers for Medicare and Medicaid Services. The State Health Benefits Program must remove prescription drug coverage from the plan of any participant whom Medicare has advised is not eligible for coverage. This could be due to conflicting coverage in another Medicare Part D plan, loss of eligibility for Medicare, or any reason that is determined by Medicare. If Medicare disenrolls you from the state program's Medicare Part D plan, you will be moved to the corresponding Advantage 65—Medical Only Plan.

Your Options for 2023

If you wish to maintain your current plan, no action on your part is necessary. If you continue to be eligible, your new monthly premium will be directly billed.

If you wish to make an allowable plan change or cancel coverage, contact the Department of Human Resource Management's Extended Coverage/COBRA Administrator at (888) 642-4414.

For Your Information...

Prompt Payment of Premiums – Extended Coverage premium payments are due on the first day of the coverage month; however, participants are given a grace period of 30 days to make each periodic payment. If the premium payment is not received by the first day of the coverage month, coverage will be suspended and then retroactively reinstated when the premium is paid. This means that any claim you submit for benefits while your coverage is suspended can be denied, but it may be resubmitted once your coverage is reactivated upon receipt of payment. If you fail to make your premium payment by the end of the grace period, you will lose all rights to continuation coverage effective the first of the month for which payment was not received. Payments are considered made when mailed.

Address Changes - **Was this package forwarded to you from an old address?** If so, be sure to contact the Department of Human Resource Management's Extended Coverage/COBRA Administrator (see below) immediately to make an address correction.

If You Need Help... - Extended Coverage/COBRA qualified beneficiaries should contact the Department of Human Resource Management Extended Coverage/COBRA Administrator with questions regarding eligibility and administrative issues.

DHRM Extended Coverage/COBRA Administrator
101 North 14th Street, 13th Floor
Richmond, VA
23219
(888) 642-4414

Enclosure: Language Assistance Services