

2016 MEDICAREBLUESM RX (PDP)

Standard Option
Premier Option



COURSE OBJECTIVES



At the end of this course, you should be able to:

- Describe Blue Cross prescription drug plans and eligibility
- Explain the formularies and pharmacy network
- Understand plan benefits and cost sharing

MEDICARE ADVANTAGE PLAN DESCRIPTION



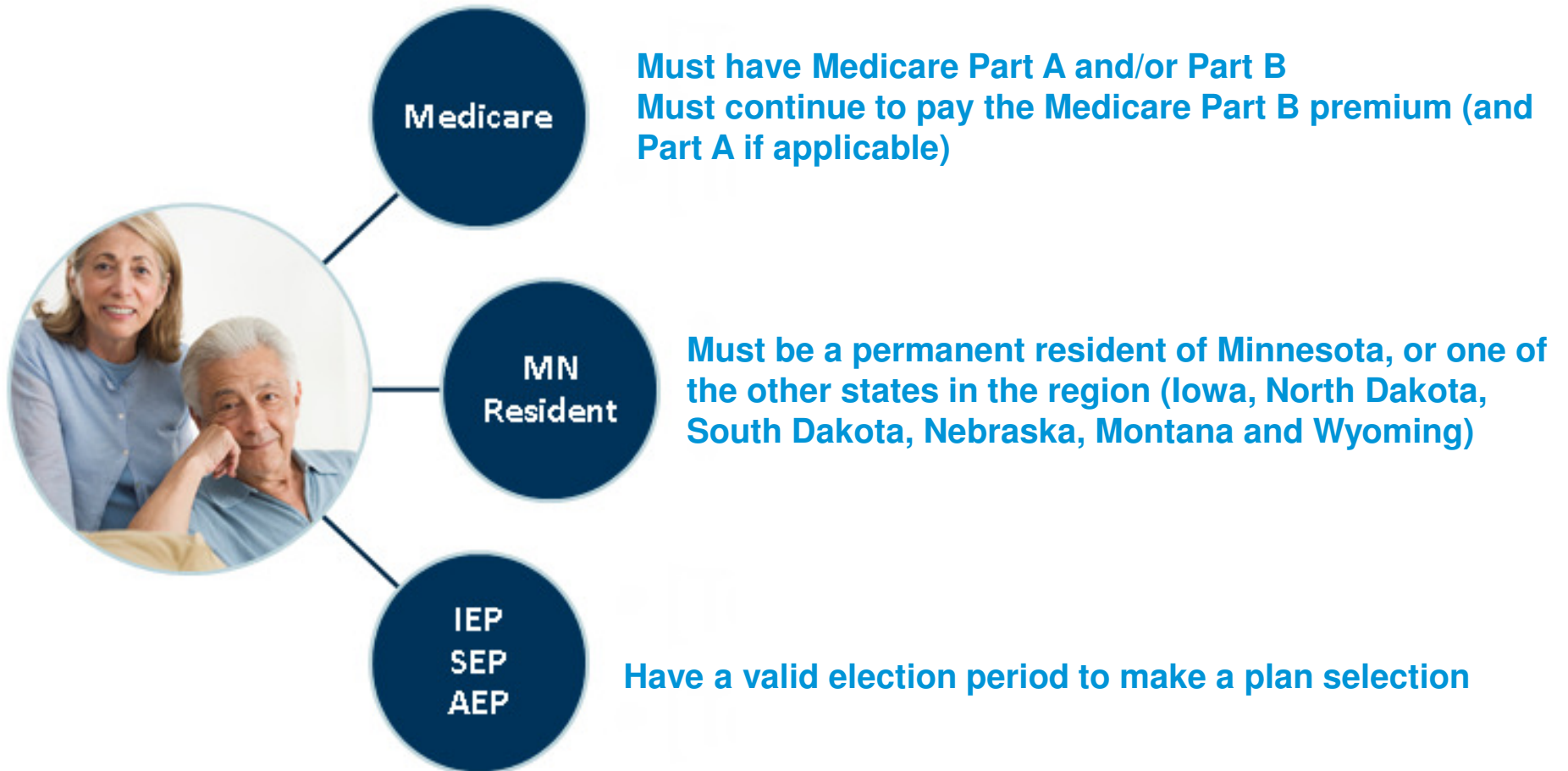
Medicare Prescription Drug plan (PDP)

Medicare defines a Prescription Drug plan as:

“...These plans (sometimes called "PDPs") add drug coverage to Original Medicare, some Medicare Cost Plans, some Medicare Private Fee-for-Service (PFFS) Plans, and Medicare Medical Savings Account (MSA) Plans...These plans are offered by insurance companies and other private companies as approved by Medicare.”

-Medicare.gov

ELIGIBILITY



COVERAGE FOR MEDICARE ELIGIBLE SERVICES



Blue Cross prescription drug plan

Blue Cross pays according to the plan benefit structure and stage of coverage member is in (deductible, initial coverage, gap or catastrophic).

Member

Member pays plan cost-sharing amounts (deductible, copays or coinsurance)

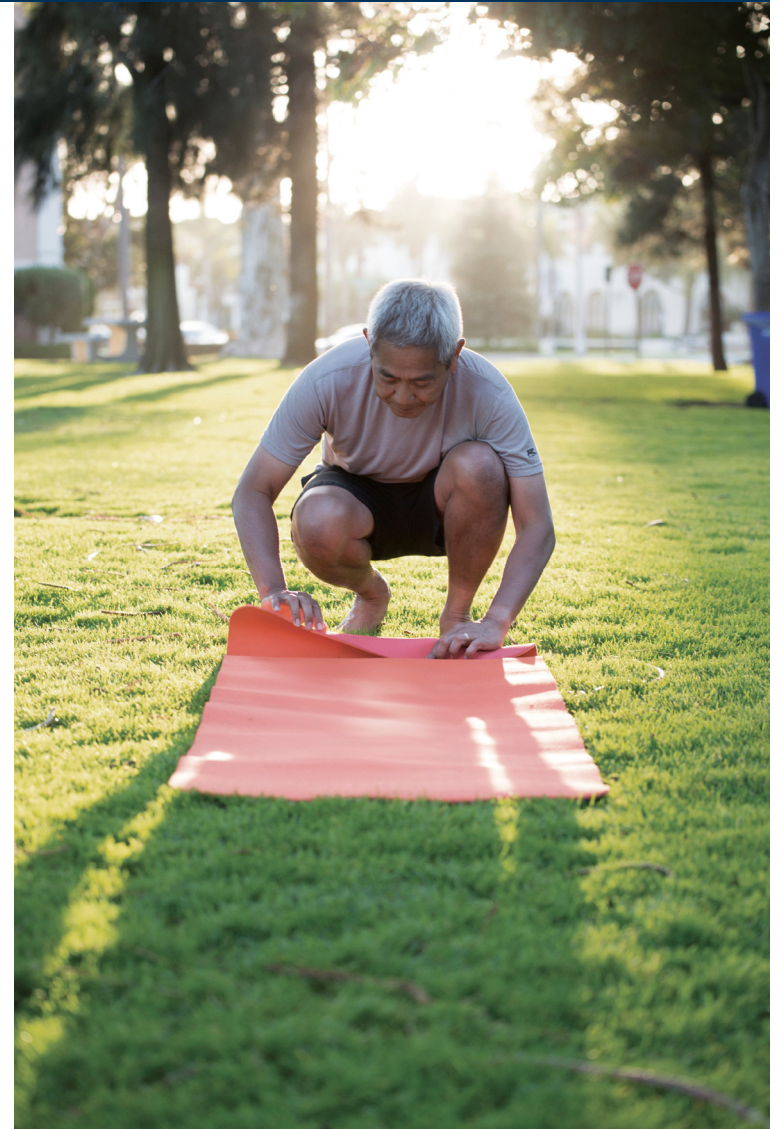
Generally no paperwork (electronic claims submission)

See *the 2016 Summary of Benefits* for additional information and a complete description of benefits and benefit limits. This is available at YourMedicareSolutions.com.

PLAN FEATURES



- 68,000 pharmacies nationwide
- Medication Therapy Management (MTM)
 - Clinical management of prescriptions for populations with multiple chronic disease states at no additional cost to the member
 - Program components are designed to optimize therapeutic outcomes for targeted beneficiaries
 - Members who are eligible for this free program will be automatically enrolled, unless they opt out
- 5-Star rated Part D plan in 2015
- Provides protection from unexpected drug costs



BLUE CROSS PRESCRIPTION DRUG PLAN OPTIONS



Blue Cross offers two PDP options:

MedicareBlue Rx Standard

MedicareBlue Rx Premier

FORMULARY



Formulary

The formulary for the Standard plan is different from the formulary for the Premier plan, but both are divided into five tiers:

- Tier 1: Preferred Generic drugs
- Tier 2: Generic drugs
- Tier 3: Preferred Brand drugs
- Tier 4: Non-Preferred Brand drugs
- Tier 5: Specialty drugs

MedicareBlue Rx Standard formulary

- Includes select drugs to treat all types of conditions, but has fewer drugs of each type
- Includes generic drugs in Tier 1 and both generic and brand-name drugs in Tiers 2 through 5

MedicareBlue Rx Premier formulary

- Includes generic drugs in Tiers 1 and 2, brand-name drugs in Tiers 3 and 4 and both generic and brand-name drugs in Tier 5

PHARMACY NETWORK



- Members must use participating pharmacies in our large, nationwide network to receive in-network MedicareBlue Rx benefits – the network is the same for both plan options
 - Access to more than 68,000 pharmacies
 - Pre-negotiated reimbursement rates with pharmacy vendors that help keep costs down
 - Electronic claims processing by pharmacy
 - Both plan options includes pharmacies that offer preferred cost sharing and pharmacies that offer standard cost sharing within the network
 - Access the most current pharmacy directory:
[YourMedicareSolutions.com](https://www.yourmedicare.com)

PREFERRED AND STANDARD COST-SHARING



Standard and Premier plan options include the following pharmacies within the network:

- **Pharmacies that offer preferred cost sharing**
 - More than 28,000 nationwide, including pharmacies such as CVS/pharmacy, Wal-Mart, White Drug, Target, Shopko, and Hy-Vee
 - For many covered drugs, members will pay less at pharmacies offering preferred cost sharing
- **Pharmacies that offer standard cost sharing**
 - All other network pharmacies
 - Members can go to network pharmacies that offer standard cost sharing, but they will often pay more

BENEFITS OF IN-NETWORK PHARMACY USAGE



In-network Pharmacies

Using in-network pharmacies provides access to more than 68,000 pharmacies nationwide with:

- + Negotiated rates
- + Electronic claims processing by the pharmacy
- + A greater level of medication management for the beneficiary
- + Purchase up to a 90 day supply of medications at Preferred Extended Supply (EDS) pharmacies for two times the normal copay amount, or the usual coinsurance

Out-of-network Pharmacies

When using an out-of-network pharmacy, members must:

- Pay the full retail cost at time of purchase and manually submit a claim for reimbursement
- Pay applicable deductible, coinsurance and copayments plus any charges over the negotiated charge for in-network pharmacies
- Members utilizing out-of-network pharmacies in unusual circumstances receive coverage for only a 30-day supply of covered medications



2016 MONTHLY PREMIUMS



MedicareBlue Rx has an annual contract with the Centers for Medicare & Medicaid Services (CMS).

	2016 Monthly Premium
Standard Option	\$35.10
Premier Option	\$111.20

Benefits shown in the following charts are for Medicare-eligible prescriptions received from network providers or under the plan's travel benefit

- The following charts are NOT a complete description of the plan
- See the 2016 *Summary of Benefits* for complete information and benefit limits
 - Available online at YourMedicareSolutions.com

PRESCRIPTION DRUG BENEFITS



	Standard		Premier	
	Preferred Cost Sharing	Standard Cost Sharing	Preferred Cost Sharing	Standard Cost Sharing
Yearly Deductible	\$360	\$360	\$0	\$0
Tier 1: Preferred Generic drugs	\$0	\$5	\$0	\$5
Tier 2: Non-Preferred Generic drugs	\$3	\$10	\$2	\$7
Tier 3: Preferred Brand drugs	20% Coinsurance	25% Coinsurance	20% Coinsurance	25% Coinsurance
Tier 4: Non-Preferred Brand drugs	45% Coinsurance	50% Coinsurance	45% Coinsurance	50% Coinsurance
Tier 5: Specialty drugs	25% Coinsurance	25% Coinsurance	33% Coinsurance	33% Coinsurance
Coverage Gap The amount a member pays after total yearly covered prescription drug costs* reach \$3,310	<ul style="list-style-type: none"> • 58% for Generic drugs • 45% on some Brand drugs based on CMS agreement with drug manufacturers 		<ul style="list-style-type: none"> • \$0/\$5 copay for Tier 1 drugs • \$2/\$7 copay for Tier 2 drugs • 58% for all other Generic drugs • 45% on some Brand drugs based on CMS agreement with drug manufacturers 	
Catastrophic Coverage The amount a member pays after paying \$4,850 in out-of-pocket prescription drug costs.	<ul style="list-style-type: none"> • \$2.95 copay for Generic drugs (including brand drugs treated as generic) • \$7.40 copay for all other covered drugs OR 5% coinsurance, whichever is greater 			

MEDICAREBLUE RX ADDITIONAL COST SAVINGS



Members may wish to consider purchasing a 90-day supply to take advantage of additional cost savings in the following ways:

- From an in-network extended day supply pharmacy (identified by EDS in the pharmacy directory); OR
- Through the plan's mail order pharmacy: CVS Caremark* Mail Service Pharmacy
 - The cost through one of these methods for Standard and Premier members is two times the 30-day copay amount or the usual coinsurance
 - These prescriptions are subject to formulary limitations (step therapy, prior authorization, quantity limits) as outlined in the formulary

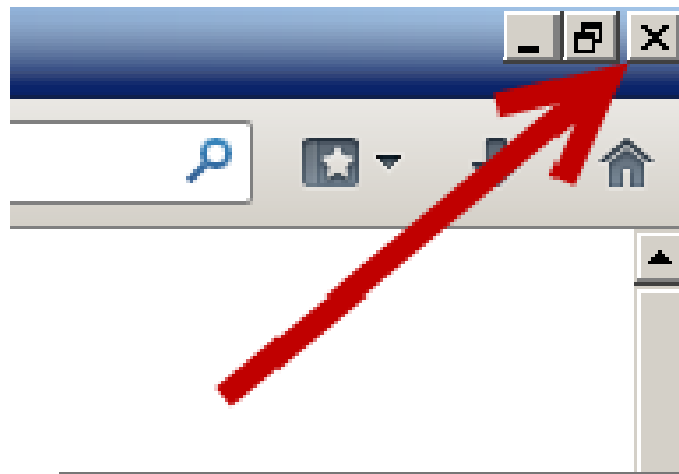
MEDICAREBLUE RX SUMMARY



- MedicareBlue Rx (PDP) is a regional plan available to residents of Minnesota, Iowa, North Dakota, South Dakota, Montana and Wyoming
- Two options: Standard and Premier
 - Same 5-tier formulary structure, but two different formularies
- Both plan options have the same nationwide network of more than 68,000 pharmacies
 - Members often pay less at pharmacies that offer preferred cost sharing

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THANK YOU.