



Dear State of Iowa Retiree:

The State of Iowa will continue to offer the Employer Group Retiree Program N health plan for 2016. Additionally, Program F will now be offered as an option. The State offers two MedicareBlue<sup>SM</sup> Rx (PDP) options to coordinate with the Group Plan N: Basic and Plus.

If you choose the Group Program N or Program F health plan, you must also choose either the Basic or Plus MedicareBlue Rx drug plan. We hope that the following FAQ will answer some questions about these prescription drug plans available with the State’s Group Program N or Program F health option.

**Frequently Asked Questions:**

**1. How are the Basic and Plus plans different?**

There are two main differences:

- The copayments (flat-dollar amount you pay for prescription drugs) are different. The chart below is a comparison of the member copayment amounts, by coverage tier.
- Another significant difference is the amount of coverage you have while in the coverage gap or “donut hole.” In the Basic plan, while in the coverage gap, you have coverage for generics only. According to federal laws regulating these plans, select brand-name drugs are discounted; however, you will still pay about 50 percent of the cost of brand-name drugs while you are in the coverage gap. With the Plus plan, you continue to pay the same plan tier copays in the coverage gap. This is a contributing factor to the difference in premiums between the two plans.

**Basic Drug Plan - \$78.20 monthly premium<sup>1</sup>**

Drug Level	30-Day Supply (retail)	90-Day Supply (retail) <sup>2</sup>	90-Day Supply (mail order and preferred pharmacy <sup>2</sup> )
Tier 1: Generic Drugs	\$10 copay	\$30 copay	\$20 copay
Tier 2: Preferred Brand Drugs	\$30 copay	\$90 copay	\$60 copay
Tier 3: Non-Preferred Brand Drugs	\$50 copay	\$150 copay	\$100 copay
Tier 4: Specialty Drugs	\$50 copay	\$150 copay	\$100 copay
Supplemental Drugs <sup>2</sup>	25% coinsurance	25% coinsurance	25% coinsurance
Coverage Gap	\$10 copay for Tier 1 Generic Drug	\$30 copay for Tier 1 Generic Drug	\$20 copay for Tier 1 Generic Drug

**Plus Drug Plan - \$146.72 monthly premium**

Drug Level	30-Day Supply (retail)	90-Day Supply (retail <sup>1</sup> )	90-Day Supply (mail order and preferred pharmacy <sup>2</sup> )
Tier 1: Generic Drugs	\$10 copay	\$30 copay	\$20 copay
Tier 2: Preferred Brand Drugs	\$25 copay	\$75 copay	\$50 copay
Tier 3: Non-Preferred Brand Drugs	\$40 copay	\$120 copay	\$80 copay
Tier 4: Specialty Drugs	25% coinsurance	25% coinsurance	25% coinsurance
Supplemental Drugs <sup>2</sup>	25% coinsurance	25% coinsurance	25% coinsurance
Coverage Gap	Pay the same copays as in the initial coverage (no change) for all drug tiers		

<sup>1</sup> Coverage for generics only in the coverage gap.

<sup>2</sup> The amount members spend on supplemental drugs does not apply towards catastrophic coverage.

2. **I already have Program N and the Group MedicareBlue Rx prescription drug plan in 2015. Do I have to fill out an application to keep my same coverage for 2016?** No. If you plan on keeping your same coverage for 2016, you do not need to fill out an application to continue that coverage.
  
3. **I already have Program N, but I want to change my drug coverage from the Basic plan to the Plus plan or vice versa for 2016. What do I need to do?** If you're already enrolled in Plan N and either Group MedicareBlue Rx drug plan, you can switch to the *other* Group MedicareBlue Rx drug plan for 2016, by completing a Group MedicareBlue Rx PDP application form by 12/7/2015, and submitting to:
  - Department of Administrative Services
  - Human Resources Enterprise
  - ATTN: Cindy Broshous
  - Hoover Building, Level A
  - 1305 E. Walnut Street
  - Des Moines, IA 50319-0150
  
4. **I already have Program N, but I want to change my health plan from the Program N to the new Program F for 2016. What do I need to do?** You can switch to Program F by completing an application form by 12/7/2015, and submitting to:
  - Department of Administrative Services
  - Human Resources Enterprise
  - ATTN: Cindy Broshous
  - Hoover Building, Level A
  - 1305 E. Walnut Street

Des Moines, IA 50319-0150

5. **I already have Program N, but want to change my health plan from the Program N to the new Program F for 2016 and I want to change my drug coverage from the Basic Plan to the Plus plan or vice versa for 2016. What do I need to do?** You can switch to Program F for 2016 by completing an application form and you can switch to the other Group MedicareBlue Rx drug plan for 2016 by completing a Group MedicareBlue Rx PDP application form. Both applications need to be submitted by 12/7/2015 and mailed to:

Department of Administrative Services  
Human Resources Enterprise  
ATTN: Cindy Broshous  
Hoover Building, Level A  
1305 E. Walnut Street  
Des Moines, IA 50319-0150

6. **I'm interested in enrolling in a Group MedicareBlue Rx plan, but can you tell me more about how these plans work — especially in the donut hole?** Medicare Part D drug plans have several phases of coverage:

- the *initial* coverage period,
- the *coverage gap* or "donut hole,"
- and the *catastrophic* coverage period.

During the initial coverage period, you will pay copays for your drugs based on the plan design and tier on which your drug resides. Once your Total Yearly Drug Cost equals \$2,960, you will enter the donut hole. In the donut hole:

- For the **Plus** plan, you will pay the same copays as in the initial coverage period (no change) for all drug tiers.
- For the **Basic** plan you will pay up to a \$10 copay for generics, and receive up to a 55 percent discount on select brand-name drugs eligible for the Medicare Coverage Gap Discount Program.

You will remain in the donut hole until your True Out-of-Pocket (TROOP) costs reach \$4,700. After your TROOP costs reach \$4,700, you hit the catastrophic coverage period where the Plus and Basic plans cover drugs under the same cost share structure during the catastrophic coverage period:

\$2.65 for covered generic or multi-source preferred brand drugs and \$6.60 for all other covered drugs or 5 percent of the cost of covered drugs.

7. **What is the difference between Total Yearly Drug Costs and TROOP?** Medicare Part D drug plans have several phases of coverage: the initial coverage period, the coverage gap or donut hole, and the catastrophic coverage period. Members' drug costs are tracked by the plan to determine when they move from one benefit stage to the next.

**Total Yearly Drug Costs** determine when a member enters the coverage gap stage. Total yearly drug costs are the amounts that you (the member) **and** your prescription drug plan have paid for covered drugs in that calendar year. This does not include any premiums.

**TROOP or True Out-of-Pocket Maximum** determines when a member enters the catastrophic coverage stage. "Total out-of-pocket drug costs" refers to the amounts you, the member, has paid for covered drugs in a calendar year. This does **not** include the amount that your prescription drug plan has paid, any costs related to supplemental drugs, or premiums. If you should change Prescription Drug plans in the middle of the year, to another Medicare Part D plan, your TROOP "follows" you, and you will receive credit for amounts already paid under the prior plan.

If you enroll in the Basic plan, once the \$2,960 figure is reached, going forward into the gap, the following will count toward reaching the total of \$4,700:

- Your copays from the start of the calendar year
- Any money paid by the 52.5 percent discount on brand name drugs by the manufacturer

The total of \$4,700 will get you out of the gap and into catastrophic coverage. Any money the prescription drug plan has paid for your prescriptions does not apply towards reaching the catastrophic coverage phase at \$4,700.

**For example:**

Mary paid \$680 in prescription copays and Basic paid \$2,280, and she has now entered the coverage gap/donut hole. Mary will start back at \$680 toward reaching the \$4,700, for her to reach catastrophic coverage. The money the prescription drug plan paid for her (\$2,280) to get *into* the gap/donut hole does not apply toward getting her *out* of it (coverage gap/donut hole).

If you enroll in the Plus plan, your payment level and coverage stays the same, regardless of where you are in relationship to the coverage gap. You will continue to pay your regular copays. If you reach the \$4,700 amount, you will enter the catastrophic coverage period and pay reduced copays, as described above in question 4.

## **8. What are Supplemental Drugs?**

Some drugs are not covered under Medicare Part D plans purchased by individuals, but ARE covered under your Group Medicare Blue Rx Prescription Drug Plan. These include: some cough and cold medications, erectile dysfunction drugs, vitamins, and other over the counter medications. A list of covered Supplemental Drugs can be found at [www.wellmark.com/soiretiree](http://www.wellmark.com/soiretiree). Under both the Basic and Plus plans, you will pay 25 percent coinsurance for covered Supplemental Drugs. The amounts you pay for these medications do not accumulate toward your TROOP, which determine when you move to the catastrophic coverage period.

9. **Who do I contact if I still have questions?** Please contact Group Medicare Blue Rx at 866-434-2037 from 8 a.m. – 8 p.m., daily, Central Time (TTY 711).

*Program N and Program F underwritten by Wellmark Blue Cross and Blue Shield.*

*Group MedicareBlue<sup>SM</sup> Rx (PDP) is a Medicare-approved Part D sponsor. Enrollment in Group MedicareBlue Rx depends on renewal of the plan sponsor's Medicare contract. This information is not a complete description of benefits. Contact the plan for more information. Limitations, copayments and restrictions apply. Benefits, premium and/or co-payments/co-insurance may change on January 1 of each year. The formulary or pharmacy network may change at any time. You will receive notice when necessary. You must continue to pay your Medicare Part B premiums.*