



Regence BlueCross BlueShield of Oregon is an Independent Licensee of the Blue Cross and Blue Shield Association

201 High Street SE
PO Box 12625
Salem, Oregon 97309

October 2009

Dear Member:

Here are three documents with important information for you.

1. Please start by reading the **Annual Notice of Changes for 2010**. It gives you a summary of changes to your benefits and costs for next year. These changes will take effect on January 1, 2010.
 - Please take a moment *very soon* to look through this summary and see how the changes might affect you.
 - If you decide to stay with *Regence MedAdvantage + Rx Classic* (PPO) for 2010 – you do not have to tell us or fill out any paperwork. You will automatically remain enrolled as a member of *Regence MedAdvantage + Rx Classic*.
 - If you decide to leave *Regence MedAdvantage + Rx Classic*, you can switch to a different Medicare Advantage Plan or to Original Medicare from November 15 through December 31 each year. The *Annual Notice of Changes* tells you more.
2. We're including a copy of next year's **Evidence of Coverage**. It's the legal, detailed description of your benefits and costs for 2010 if you stay enrolled as a member of *Regence MedAdvantage + Rx Classic*. It also explains your rights and rules you need to follow when using your coverage for medical care and prescription drugs. Please look through this document so you know what's in it, then keep it handy for reference.
3. We're also including a copy of the *Regence MedAdvantage + Rx Classic* plan's **List of Covered Drugs (Formulary)**, effective in January 2010.

If you have questions, we're here to help. Please call Customer Service at 1 (800) 541-8981 (TTY only, call 711). Calls to these numbers are free. Hours are 8:00 a.m. to 8:00 p.m., seven days a week from November 15 through March 1. After March 1 our telephone hours are 8:00 a.m. to 8:00 p.m., Monday through Friday, and you may leave a message on Saturdays, Sundays and holidays. We will return your call on the next business day. You can also visit our website, (www.regence.com/OR/products/medicare).

We value your membership and hope to continue to serve you next year.

Sincerely,

A handwritten signature in black ink that reads "Sue Johnson". The signature is written in a cursive, flowing style.

Sue Johnson, Manager
Medicare Customer Service

Regence MedAdvantage + Rx Classic (PPO) Annual Notice of Changes for 2010

This booklet tells you how your benefits and costs as a member of Regence MedAdvantage + Rx Classic will change next year from your current benefits. The changes take effect on January 1, 2010.

To decide what's best for you, compare this information we're sending with the benefits and costs of other Medicare Advantage plans in your area, as well as the benefits and costs of Original Medicare.

Regence MedAdvantage + Rx Classic Customer Service:

For help or information, please call Customer Service or go to our plan website at www.regence.com/OR/products/medicare.

1 (800) 541-8981

TTY users call: 711

(Calls to these numbers are free.)

Hours of Operation:

From November 15 through March 1 our telephone hours are 8:00 a.m. to 8:00 p.m. seven days a week. After March 1 our telephone hours are 8:00 a.m. to 8:00 p.m., Monday through Friday, and you may leave a message on Saturdays, Sundays and holidays. We will return your call on the next business day.

This plan is offered by Regence BlueCross BlueShield of Oregon, referred throughout the *Annual Notice of Changes* as "we," "us," or "our." Regence MedAdvantage + Rx Classic is referred to as "plan" or "our plan."

Our plan is a Medicare approved PPO.

This information may be available in a different format, including large print, audio tapes, and CDs. Please call Customer Service at the number listed above if you need plan information in another format.

If you remain enrolled in Regence MedAdvantage + Rx Classic for 2010, there will be some changes to your benefits and what you pay.

We want to thank you for being a member of Regence MedAdvantage + Rx Classic. We are pleased to provide you with your health coverage including your prescription drug coverage. As you know, change is in the air for health care, locally and nationally. Some of these changes will impact your health plan for the next year. This Annual Notice of Changes will tell you how your benefits and costs are changing for 2010. We believe we have kept the benefits you value, along with assured access to your providers. Plus, we remain committed to staying in the Medicare business for the long haul. If you would like to discuss your benefit changes, please call Customer Service at 1-800-541-8981.

We're sending you this *Annual Notice of Changes* to tell you how your benefits and costs as a member of Regence MedAdvantage + Rx Classic will change next year from your current benefits. The changes take effect on January 1, 2010. Medicare has approved these changes.

What should you do?

We want you to know what's ahead for next year, so **please read this document very soon to see how the changes in benefits and costs will affect you if you stay enrolled in Regence MedAdvantage + Rx Classic for 2010.**

To decide what's best for you, compare this information we're sending with the benefits and costs of other Medicare Advantage plans in your area as well as the benefits and costs of Original Medicare.

You can find information about plans available in your area by visiting the Medicare website (<http://www.medicare.gov>). The Medicare website includes information about plans' benefits and costs, as well as information about how Medicare rates the plans in different categories (for example, detecting and preventing illness, ratings from patients, and customer service). If you have access to the web, you may use the web tools on <http://www.medicare.gov> by selecting either "Compare Health Plans and Medigap Policies in Your Area" or "Compare Medicare Prescription Drug Plans." You can also call us directly at 1 (800) 541-8981 to obtain a copy of the plan ratings for this plan. TTY users call 711.

We hope to keep you as a member of Regence MedAdvantage + Rx Classic. But if you want to make a change for 2010, see "*When can you change*" in Section 6 for time periods when you can make a change.

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Section 1. Important things to know

**This *Annual Notice of Changes* is only a summary
(see your *Evidence of Coverage* for the details)**

This *Annual Notice of Changes* gives you a summary of the changes in your benefits and what you will pay for these services in 2010.

- To get the details, you can look in the 2010 *Evidence of Coverage* for *Regence MedAdvantage + Rx Classic*. The *Evidence of Coverage* is the legal, detailed description of your benefits and costs for 2010. It explains your rights and the rules you need to follow to get your covered services and prescription drugs. (We have included a copy of the *Evidence of Coverage* in the same envelope with this *Annual Notice of Changes*. If you do not have this copy, call Customer Service.)

If you have questions or need more information, you can always call Customer Service at 1 (800) 541-8981 (TTY only, call 711). Calls to these numbers are free. Hours are 8:00 a.m. to 8:00 p.m., seven days a week from November 15 through March 1. From November 15 through March 1 our telephone hours are 8:00 a.m. to 8:00 p.m. seven days a week. After March 1 our telephone hours are 8:00 a.m. to 8:00 p.m., Monday through Friday, and you may leave a message on Saturdays, Sundays and holidays. We will return your call on the next business day.

There are programs to help people with limited resources pay for their prescription drugs

You might qualify to get help in paying for your drugs. There are two basic kinds of help:

- **“Extra Help” from Medicare.** This program is also called the “low-income subsidy” or LIS. People whose yearly income and resources are below certain limits can qualify for this help. See Section III of the new *Medicare & You 2010* Handbook or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call these numbers for free, 24 hours a day, 7 days a week.
- **Help from your state’s pharmaceutical assistance program.** Many states have State Pharmaceutical Assistance Programs (SPAPs) that help some people pay for prescription drugs based on financial need, age, or medical condition. Each state has different rules. Check with your State Health Insurance Assistance Program (the name and phone numbers for this organization are in Chapter 2, Section 3 of your *Evidence of Coverage*).

What if you are currently getting help to pay for your drugs?

If you already get help paying for your drugs, **some of the information in this *Annual Notice of Changes* is not correct for you.** We have mailed a separate document, called the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider), that tells you about your drug coverage. If you don’t receive your LIS rider, please call Customer Service and ask for the “Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs” (LIS Rider). Phone numbers for Customer Service are on the front cover.

Section 2. Changes to your monthly premium

	2009 (this year)	2010 (next year)
Monthly premium	\$106	\$126

Exception: If you are required to pay a late enrollment penalty (because you did not join a Medicare drug plan when you first became eligible), your monthly premium for 2010 will be \$126 *plus* the amount of your late enrollment penalty. For more information about this penalty, see Chapter 6 of your *Evidence of Coverage*.

Section 3. Medical services: Changes to your benefits and what you pay

Changes to your benefits

As shown below, Regence MedAdvantage + Rx Classic is adding a new benefit next year. For details, see Chapter 4 in your *Evidence of Coverage*.

	2009 (this year)	2010 (next year)
Traveler program	Not covered	Covered

Changes to what you pay

The chart below summarizes changes to what you will pay as your share of the cost of covered medical services. For details, see Chapter 4, *Medical benefits chart (what is covered and what you pay)*, in your *Evidence of Coverage*.

	2009 (this year)	2010 (next year)
Deductible	\$0	\$50
<p>Out-of-pocket maximum for medical services</p> <p>This maximum applies to what you pay as your share of the cost for your Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) services.</p>	<p>In-network: \$1,500 Out-of-network: \$3,000</p>	<p>In-network: \$2,500 Out-of-network: \$4,000</p>
<p>Physician services Chiropractic services Podiatry services Outpatient mental health care Outpatient substance abuse services Urgently needed care Outpatient rehabilitation services Vision care Physical exams for members new to Part B Routine physical exams Routine vision exams Smoking cessation</p>	<p>In-network: \$10 Out-of-network: \$25</p>	<p>In-network: \$25 Out-of-network: \$35</p>
<p>Inpatient care Inpatient mental health care</p>	<p>In-network: \$100 copay each day, days 1-5</p> <p>Out-of-network: \$200 copay each day, days 1-5</p>	<p>In-network: \$175 copay each day, days 1-5</p> <p>Out-of-network: \$250 copay each day, days 1-5</p>
Skilled Nursing Facility	<p>In-network: \$0 copay each day, days 1-100</p> <p>Out-of-network: \$25 copay each day, days 1-100</p>	<p>In-network: \$10 copay each day, days 1-100</p> <p>Out-of-network: \$30 copay each day, days 1-100</p>

	2009 (this year)	2010 (next year)
Home Health Care	In-network: You pay 0% of the total cost Out-of-network: You pay 20% of the total cost	In-network: You pay 10% of the total cost Out-of-network: No change. You pay 20% of the total cost
Outpatient Surgery	In-network: \$0 copay Out-of-network: \$100 copay	In-network: \$200 copay Out-of-network: \$300 copay
Diagnostic Tests Radiology Radiation Therapy	In-network: You pay 0% of the total cost Out-of-network: You pay 0% of the total cost	In-network: You pay 10% of the total cost Out-of-network: You pay 20% of the total cost
Dialysis	In-network: You pay 0% of the total cost Out-of-network: You pay 0% of the total cost.	In-network: You pay 10% of the total cost Out-of-network: You pay 10% of the total cost

Section 4. Part D prescription drugs: Changes to your benefits and what you pay

Changes to your benefits

Regence MedAdvantage + Rx Classic has a *List of Covered Drugs (Formulary)* – or “Drug List” for short. It tells which Part D prescription drugs are covered by the plan. (Chapter 5, Section 1.1 of your *Evidence of Coverage* explains about Part D drugs.)

We may make changes to the plan’s Drug List from time to time throughout the year. In addition, there are a number of changes to the Drug List that will take effect

on January 1, 2010. Changes to the plan's Drug List have been approved by Medicare.

- **We have removed some drugs from the list.** We have replaced some brand-name drugs with new generic drugs. We have replaced some expensive drugs with less costly drugs that have been shown to work just as well or better.
- **We have added some new restrictions to certain drugs, and reduced the restrictions on others.** Restrictions can include a requirement to get plan approval in advance or to try a different drug first to see how well it works. Restrictions can also include limits on quantity of the drug.

Please check to see if any of these changes to drug coverage affect the drugs you use.

- You can look for your drugs on the Drug List we sent with this *Annual Notice of Changes*.
- The Drug List we sent includes many of the drugs that we cover, but it does not include all of our covered drugs. If you can't find some of your drugs on this Drug List, you may find them on a complete Drug List, which includes all the drugs we cover. You can get the complete Drug List by calling Customer Service or visiting our website (www.regence.com/OR/products/medicare).

Changes to what you pay

The chart below summarizes changes to what you will pay as your share of the cost of covered prescription drugs. These changes affect Part D prescription drugs only.

- Every drug on the plan's Drug List is in one of five cost-sharing tiers. Medicare allows us to **change what you pay for a drug in each cost-sharing tier** only once a year. The changes shown below will take effect on January 1, 2010, and stay the same for the entire plan year.
- Besides the changes to copayments and coinsurance you see below, there is another change that could affect what you pay for your drugs next year. **We have moved some of the drugs on the Drug List to a different cost-sharing tier.** Some drugs will be in a lower cost-sharing tier, others will be in a higher cost-sharing tier. To see if any of your drugs have been moved to a different cost-sharing tier, look them up on the Drug List.

2009 (this year)	2010 (next year)
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Deductible	\$295	\$200
Initial Coverage Limit	\$2,700	\$2,830
Coverage Gap	\$4,350	\$4,550
<p>Drugs in Cost-Sharing Tier 2 Preferred Brand</p> <p>For a one-month (30 day) supply of a drug in cost-sharing Tier 2 that is filled at a network pharmacy</p>	You pay \$20 per prescription.	You pay \$30 per prescription.
<p>Drugs in Cost-Sharing Tier 3 Non-Preferred Brand drugs</p> <p>For a one-month (30 day) supply of a drug in cost-sharing Tier 3 that is filled at a network pharmacy</p>	You pay \$40 per prescription.	You pay \$56 per prescription.
<p>Drugs in Cost-Sharing Tier 4 Miscellaneous Injectables</p> <p>For a one-month (30-day) supply of a drug in cost-sharing Tier 4 that is filled at a network pharmacy</p>	You pay 25% of the total cost.	You pay 27% of the total cost.
<p>Drugs in Cost-Sharing Tier 5 Specialty Drugs</p> <p>For a one-month (30-day) supply of a drug in cost-sharing Tier 5 that is filled at a network pharmacy</p>	You pay 25% of the total cost.	You pay 27% of the total cost.
	2009 (this year)	2010 (next year)

Free First Fill	Not covered	One-time free fill on selected Tier 1 generics
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What if changes for 2010 affect drugs you are taking now?

What if a drug you are taking now is not on the Drug List for 2010? What if it has been moved to a higher cost-sharing tier? What if a new restriction has been added to the coverage for this drug? If you are in any of these situations, here's what you can do:

- **Perhaps you can find a different drug** covered by the plan that might work just as well for you. You can call Customer Service to ask for a list of covered drugs that treat the same medical condition. This list can help your doctor to find a covered drug that might work for you.
- **You and your doctor can ask the plan to make an exception for you** and cover the drug. You can ask for an exception in advance for next year and we will give you an answer to your request before the change takes effect. To learn what you must do to ask for an exception, see the *Evidence of Coverage* that was included in the mailing with this *Annual Notice of Changes*. Look for Chapter 9 (*What to do if you have a problem or complaint*). If you or your doctor would like to request an exception, the request should be made by December 1, 2009.

Section 5. What about changes to the plan's network of providers?

Will your doctors and other providers still be in the plan's network next year?

There are a few changes to the network of providers for 2010. In addition, it's possible for the network of plan providers to change at any time during the year.

- **Please check with your doctors and other providers you currently use** to make sure they will continue to be part of the provider network for Regence MedAdvantage + Rx Classic in 2010.
- For the most up-to-date information on the network of providers, check our website (www.regence.com/OR/products/medicare) or call Customer Service (see phone numbers on the front cover).

Section 6. Do you want to stay in the plan or make a change?

Do you want to stay with Regence MedAdvantage + Rx Classic?

If you want to keep your membership in Regence MedAdvantage + Rx Classic for 2010, it's easy. You don't need to tell us or fill out any paperwork. **You will automatically remain enrolled as a member.**

Do you want to make a change?

If you decide to leave Regence MedAdvantage + Rx Classic, you can switch to a different Medicare Advantage plan or to Original Medicare (either with or without a separate Medicare prescription drug plan).

If you want to change to a different plan, there are many choices. As a reminder, Regence BlueCross BlueShield of Oregon offers other Medicare Advantage plans and an affiliate offers Medicare prescription drug plans in addition to the plan you are now enrolled in. These other plans may differ in coverage, monthly premiums, and cost sharing amounts.

When can you change?

- During the **yearly enrollment period (called the “annual coordinated election period”)** from **November 15 through December 31, 2009**, you can change to any other Medicare Advantage plan or to Original Medicare (either with or without a separate Medicare prescription drug plan). Your new coverage will begin on January 1, 2010.
- You also have **another, more limited enrollment period from January 1 through March 31, 2010**. During this period (called the “open enrollment period”), you could switch to a different Medicare Advantage Plan with Part D prescription drug coverage or switch to Original Medicare plus a Medicare Prescription Drug Plan. For more information about your choices during the January 1 through March 31 open enrollment period, please see Chapter 10, Section 2.2 of the *Evidence of Coverage*.

Are these the only times of the year to choose a different plan?

For most people, yes. Certain individuals, such as those with Medicaid, those who get Extra Help paying for their drugs, or those who move out of the geographic service area, can make changes at other times. For more information, see Chapter 10, Section 2.3 of the *Evidence of Coverage*.

How do you make a change?

See Chapter 10 of the enclosed *Evidence of Coverage* document. It tells what you need to do to make a change from Regence MedAdvantage + Rx Classic to another plan.

Things to check on before you make a change

- **Are you a member of an employer or retiree group?** If you are, please check with the benefits administrator of your employer or retiree group before you switch to another way of getting medical care.
- **Are you getting help with paying for your drugs from a State Pharmaceutical Assistance Program (SPAP)?** If you are, please check with this program before switching to another prescription drug plan. The phone number for your State Pharmaceutical Assistance Program is listed in Chapter 2, Section 7 of the *Evidence of Coverage*.

Section 7. Do you need some help? Would you like more information?

We have information and answers for you

To learn more, read the information we sent in the same package with this *Annual Notice of Changes*. This includes a copy of the *Evidence of Coverage* and of the *List of Covered Drugs (Formulary)*.

If you have any questions, we are here to help. Please call us at Regence MedAdvantage + Rx Classic Customer Service. We are available for phone calls 8:00 a.m. to 8:00 p.m., seven days a week from November 15 through March 1. After March 1 our telephone hours are 8:00 a.m. to 8:00 p.m., Monday through Friday, and you may leave a message on Saturdays, Sundays and holidays. We will return your call on the next business day. Calls to these numbers are free: 1 (800) 541-8981 (TTY only, call 711).

You can get help and information from your State Health Insurance Assistance Program

The State Health Insurance Assistance Program (SHIP) is a government program with trained counselors in every state. In Oregon, the State Health Insurance Assistance Program is called Senior Health Insurance Benefits Assistance. In Washington, the State Health Insurance Assistance Program is called Statewide Health Insurance Benefits Advisors.

The SHIP is independent (not connected with any insurance company or health plan). SHIP counselors can help you with your Medicare questions or problems. They can help you understand your Medicare plan choices and answer questions about switching plans. You can call the Oregon SHIP at 1 (800) 722-4134 (TTY only, call 1 (800) 735-2900). You can call the Washington SHIP at 1 (800) 562-6900.

In Oregon: Senior Health Insurance Benefits Assistance
250 Church Street SE, Suite 200
Salem, OR 97301-3921

In Washington: SHIBA HelpLine
Office of Insurance Commissioner
PO Box 40256
Olympia, WA 98504-0256

You can get help and information from Medicare

Here are three ways to get information directly from Medicare:

- **Call 1-800-MEDICARE (1-800-633-4227)** 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.
- **Visit the Medicare website** (<http://www.medicare.gov>).
- **Read *Medicare & You 2010*.** Every year in October, this booklet is mailed to people with Medicare. It has a summary of Medicare benefits, rights and protections, and answers to the most frequently asked questions about Medicare. If you don't have a copy of this booklet, you can get it at the Medicare website (<http://www.medicare.gov>) or by calling 1-800-MEDICARE (1-800-633-4227).