



Regence

Life and Health Insurance Company

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 Life and Health Medicare Script (PDP) for 2010 – you do not have to tell us or fill out any paperwork. You will automatically remain enrolled as a member of Regence Life and Health (RLH) Medicare Script.
 - If you decide to leave RLH Medicare Script, you can change your coverage from November 15 through December 31 each year. If you want to keep Medicare prescription drug coverage, you can either enroll in a new Medicare prescription drug plan or in a Medicare Advantage plan with prescription drug coverage. If you no longer want Medicare prescription drug coverage, you can choose either Original Medicare or a Medicare Advantage plan without prescription drug coverage. 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 RLH Medicare Script. It also explains your rights and rules you need to follow when using your coverage for 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 RLH Medicare Script 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 a.m. to 8 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/medicare/script). 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

RLH Medicare Script (PDP) Annual Notice of Changes for 2010

This booklet tells you how your benefits and costs as a member of RLH Medicare Script 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 prescription drug plans in your area, as well as the benefits and costs of Medicare Advantage plans.

RLH Medicare Script Customer Service:

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

1 (800) 541-8981 (Calls to these numbers are free.)

TTY users call: 711

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 Life and Health, referred throughout the *Annual Notice of Changes* as "we," "us," or "our." RLH Medicare Script is referred to as "plan" or "our plan."

Our plan is a Medicare approved Part D sponsor.

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

If you remain enrolled in RLH Medicare Script for 2010, there will be some changes to your benefits and what you pay.

We want to thank you for being a member of RLH Medicare Script. We are pleased to provide you with your prescription drug plan 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 that you value, plus we are committed to staying in the Medicare business for the long haul. If you'd like to discuss your benefit changes, we encourage you to 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 RLH Medicare Script 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 RLH Medicare Script for 2010.**

To decide what's best for you, compare this information we're sending with the benefits and costs of other Medicare prescription drug plans in your area as well as the benefits and costs of Medicare Advantage plans and 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 RLH Medicare Script. But if you want to make a change for 2010, see "*When can you change*" in Section 4 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 RLH Medicare Script. 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 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. 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 is one basic kind 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.

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 shortly, 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	\$66.50	\$76.50

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 \$76.50 *plus* the amount of your late enrollment penalty. For more information about this penalty, see Chapter 4 of your *Evidence of Coverage*.

Section 3. Part D prescription drugs: Changes to your benefits and what you pay

Changes to your benefits

RLH Medicare Script 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 3, 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 *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/medicare/script).

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 copayment or 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)
Deductible	\$295	\$200
Initial Coverage Limit	\$2,700	\$2,830
Coverage Gap	\$4,350	\$4,550
Catastrophic Coverage For a one-month (30 day) supply of a drug that is filled at a network pharmacy	You pay \$2.40 or 5% whichever is greater for generic and multi-source brand drugs You pay \$6.00 or 5% whichever is greater for all other brand drugs	You pay \$2.50 or 5% whichever is greater for generic and multi-source brand drugs You pay \$6.30 or 5% whichever is greater for all other brand drugs
Drugs in Cost-Sharing Tier 2 Preferred Brand Drugs For a one-month (30 day) supply of a drug in cost-sharing Tier 2 that is filled at a network pharmacy	You pay \$20 per prescription.	You pay \$30 per prescription.

	2009 (this year)	2010 (next year)
<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 \$61 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.

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 or other prescriber 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 7 (*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 4. Do you want to stay in the plan or make a change?

Do you want to stay with RLH Medicare Script?

If you want to keep your membership in RLH Medicare Script 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, you can switch to a different Medicare prescription drug plan, Original Medicare without a separate Medicare prescription drug plan, or a Medicare Advantage plan.

If you want to change to a different plan, there are many choices. As a reminder, RLH Medicare Script offers another Medicare prescription drug plan in addition to the plan you are now enrolled in. This other plan differs 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 another Medicare prescription drug plan, Original Medicare without a separate Medicare prescription drug plan, or a Medicare Advantage plan. Your new coverage will begin on January 1, 2010.

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 8, Section 2.3 of the *Evidence of Coverage*.

How do you make a change?

See Chapter 8 of the enclosed *Evidence of Coverage* document. It tells what you need to do to make a change from RLH Medicare Script 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.

Section 5. 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 RLH Medicare Script 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 Idaho, the SHIP is called Senior Health Insurance Benefits Advisors. In Utah, the SHIP is called State Health Insurance Information Program.

The SHIP is independent (not connected with any insurance company or health plan). The 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 Idaho SHIP at 1 (800) 247-4422. You can call the Utah SHIP at 1 (800) 541-7735.

In Idaho: Senior Health Insurance Benefits Advisors
700 West State Street
Boise, ID 83720-0043

In Utah: State Health Insurance Information Program (SHIIP)
195 North 1950 West
Salt Lake City, UT 84116

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 Handbook*.** 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).