

*We hope the information in this pamphlet will answer any questions you may have about UA Medicare Part D Silver. However, if you still have questions, please call our Customer Service Center at 1-866-299-3406 (Hearing impaired callers using TTY/TDD equipment should call 1-866-524-4170).*

#### **What is Medicare Part D?**

Medicare Part D is insurance provided by private organizations that have been approved by Medicare and contract with the federal government. Part D is available to anyone with Medicare Parts A and/or Part B, regardless of your health history or the drugs you are currently taking. However, participation isn't automatic; you must enroll in a Part D plan by paying a small monthly premium (Medicare is paying a substantial portion of your costs).

The open enrollment period for coverage each year runs from November 15 – December 31. Generally, you must join during an open enrollment period, except in special circumstances.

#### **What is a PDP and how does it work?**

Medicare has approved certain insurance companies to offer Prescription Drug Plans (PDP). These insurance companies negotiate low prescription costs for their members. You receive a membership card which you show at the pharmacy to get your savings. You may also pay a deductible, plus have a co-payment for your generic, brand name or specialty drugs at the pharmacy counter.

#### **What if I need help paying for Part D?**

If you have limited income and resources, you may qualify for extra help. Contact the Social Security Administration to see if you qualify at 1-800-772-1213.

#### **United American's continuing commitment to seniors.**

United American Insurance Company has been marketing health insurance products, most notably our popular ProCare Medicare Supplement coverage, to seniors since the introduction of Medicare in 1966. For over 30 consecutive years, we have received A.M. Best's A+ (Superior) rating (as of 6/07) for overall financial strength.



**Please call for more information about UA Medicare Part D Silver.**

#### **Customer Service Hours:**

**8:00am - 8:00pm in your local time zone.**

**Current & prospective members should call toll-free 1-866-299-3406.**

**Hearing impaired callers using TTY/TDD equipment should call 1-866-524-4170.**

**[www.uamedicarepartd.com](http://www.uamedicarepartd.com)**

For more information about Medicare, call 1-800-MEDICARE (1-800-633-4227). TTY/TDD users should call 1-877-486-2048. You can call 24 hours a day, 7 days a week. Or visit [www.medicare.gov](http://www.medicare.gov).



# **Understanding 2008 Medicare Part D Prescription Drug Coverage**



**United American Insurance Company**

United American Insurance Company is approved by Medicare and contracts with the Federal Government.

# UAMedicare Part D Silver Prescription Drug Coverage

## Should I buy now even if I don't take many prescription drugs?

For most people, joining now means you will pay the lowest possible monthly premium. You can only join or make changes to a Part D plan during certain times of the year. If you do not join a plan as soon as you are eligible to do so, you'll pay a 1% penalty for each month you delay enrolling, for as long as you have Medicare Part D.

## Where can I get my prescriptions?

You can use your UA Medicare Part D Silver card at any of the over 56,000 pharmacies in our nationwide network. You must use a network pharmacy to receive plan benefits. To find out if your pharmacy is in the network, call toll-free 1-866-299-3406.

## Can I get prescriptions by mail?

Of course! Order new prescriptions or refills by simply contacting Medco at 1-800-4REFILL (800-473-3455). You can also log on to [www.medco.com/medd](http://www.medco.com/medd). Your prescriptions are shipped quickly and arrive conveniently at your doorstep.

## I don't see my drugs on your list

Don't worry. It's likely we cover your prescription; just call us or log on to [www.uamedicarepartd.com](http://www.uamedicarepartd.com). You can also review the Evidence of Coverage for instructions on adding new drugs to our formulary, or to understand quantity limits and prior authorizations.

## Does UA Medicare Part D Silver have a deductible?

The plan has a deductible on drugs, except generics. The deductible amount you pay varies according to where you live. See your Summary of Benefits, call us, or log on to our website for the deductible in your area.

## What is the donut hole?

When the government was creating PDPs they wanted to provide some help to all seniors and a safety net for those with really high drug costs. Building the coverage gap (or donut hole) into all PDPs was the only way to make it affordable, providing some coverage for everyone, including those who are struggling financially.

## How does the 'gap' work?

Once you and UA together have spent \$2,510 on drugs during the initial coverage stage, you enter the coverage gap (the donut hole). When you're in the gap you pay for all your prescriptions yourself, until you've spent \$4,050 of your own money on drugs, including your deductible and co-pays. Then the coverage changes again to the catastrophic stage and UA will pay for 95% of your remaining drugs for the year and you pay 5%. If you're still confused, the chart below may help.

## What expenses count toward my out-of-pocket?

The following will count toward your drug spending: deductibles, co-pays, coinsurance, and pharmacy dispensing fees at retail pharmacies (usually \$2-\$4). If you use a non-Medicare prescription drug card, any amount you spend will count toward your out-of-pocket costs but you must submit a paper claim and the receipt to Medco Health Solutions, Inc., P.O. Box 14718, Lexington, KY 40512.

\$4,050	<b>Catastrophic Coverage</b>	Catastrophic coverage begins when you have spent \$4,050 on drugs. For the rest of the year UA Medicare Part D pays 95% of your drug costs; you pay 5%.
\$2,510	<b>The Coverage Gap (Donut Hole)</b>	The coverage gap starts when you and UA have spent \$2,510 on drugs. Now you pay for 100% of your prescriptions.
Deductible on all drugs except generics (varies by region)	<b>Initial Coverage</b>	UA Part D Silver has a deductible you must meet on all drugs, except generic drugs. The deductible varies according to the region in which you live. After you meet that deductible for all drugs except generics, you pay the co-pay for the prescriptions you receive. For generic drugs, you pay only the \$4 co-pay.

## How do I know when I reach the coverage gap?

Each month you use your member ID to purchase Part D prescription drugs, you will receive an Explanation of Benefits (EOB), reflecting your prior month's drug usage. It tracks your spending and ours, so you always know how close you are to the gap.

Talk to your doctor to see if a generic equivalent of a name brand drug is appropriate for you. Using lower cost generic drugs can help you stay out of the donut hole longer.

## CO-PAYMENT AMOUNT/COINSURANCE PERCENTAGE FOR THE FIRST \$2,510 OF DRUG COSTS IN 2008

DRUG TIER	Retail In-Network Pharmacy 34-Day Supply Co-payment	Retail In-Network Pharmacy 90-Day Supply Co-payment	Mail Order 90-Day Supply Co-payment
<b>Generics</b> Tier 1	\$4	\$12	\$10
<b>Preferred Brands</b> – Tier 2	\$40	\$120	\$100
<b>Non-Preferred Brands</b> – Tier 3	\$80	\$240	\$200
<b>Specialty Brands</b> Tier 4	33%	33%	33%

## I have drug coverage from the Veteran's Administration

As long as you still qualify, your TRICARE, VA or FEHB prescription drug coverage should be all the coverage you need. If you lose this coverage you can join a Medicare Part D plan.

## What if I already have prescription drug coverage?

If you already have prescription drug coverage, you should talk to your plan benefits administrator, or insurer before making any changes. You will be notified about any changes in your current coverage so you can decide if you should join a Medicare drug plan.