

# SilverScript®

SilverScript PDP 2017

Medicare Part D Prescription Drug Plans



## Note to Agent:

- CMS has approved this 2017 client-facing presentation.
- DO NOT deviate from or add information to this presentation.

# My Qualifications

I am here to help you enroll in the right Medicare coverage by:

- Offering advice and answers about Medicare and Medicare Part D
- Explaining terminology you may not understand
- Providing information about SilverScript Prescription Drug Plans
- Recommending coverage that is right for your health and your budget

.....

I am an independent insurance agent contracted with SilverScript® Insurance Company.

.....

I have successfully completed the annual broker/agent Medicare Part D training course required by SilverScript Insurance Company. As a result, I am certified as a SilverScript Insurance Company agent.

.....

I may be compensated based on your enrollment in a SilverScript prescription drug plan.

.....

# Contents

- 4 . . . Understanding Medicare
- 5 . . . About SilverScript
- 6 . . . Medicare Part D — Eligibility
- 7 . . . Medicare Part D — Getting Prescription Drug Coverage
- 8 . . . Medicare Part D — How the Four Stages of Part D Coverage Work
- 9 . . . Medicare Part D — Enrollment Periods
- 10 . . Important Date to Remember — Initial Enrollment Period
- 11 . . Important Date to Remember — Annual Enrollment Period
- 12 . . Medicare Part D — Understanding Total Cost
- 13 . . SilverScript Prescription Drug Plans — Two Plan Options for 2017
- 14 . . SilverScript Choice
- 15 . . SilverScript Choice — Prescription Drug Coverage
- 16 . . SilverScript Plus
- 17 . . SilverScript Plus — Prescription Drug Coverage
- 18 . . Two Extensive Nationwide Pharmacy Networks
- 19 . . What to Expect After You Enroll in a SilverScript Plan
- 20 . . Five Questions to Ask When Choosing a Medicare Prescription Drug Plan
- 21 . . Medicare Part D Terminology (Late Enrollment Penalty/Creditable Coverage)
- 22 . . Medicare Part D Terminology (Part D-IRMAA)
- 23 . . Medicare Part D Terminology (Extra Help)
- 24 . . Important Reminders
- 25 . . Citations & Clarifications
- 26 . . Do You Have any Questions?



# Understanding Medicare

## PART A

### Hospital Insurance

- Includes inpatient stays, skilled nursing and home care



## PART C

### Medicare Advantage (MA) Medicare Advantage-Prescription Drug (MA-PD)

- Combines Parts A and B for plans that cover hospital and medical insurance
- Sometimes available with or without prescription drug coverage



## PART B

### Medical Insurance

- Doctor services, lab tests, outpatient and preventive care



## PART D

### Prescription Drug

- Prescription Drug Coverage offered as a stand-alone plan (not joined with other insurance) or combined with a Medicare Advantage Prescription Drug Plan



• **TOGETHER, PART A & B ARE CALLED “ORIGINAL MEDICARE”**

### Medicare Supplemental (Medigap) Plans

- A Medicare Supplement (Medigap) plan can help pay for things not covered by Original Medicare, like copayments, coinsurance and deductibles.
- Some Medigap policies offer coverage for services that Original Medicare doesn't cover, like medical care when you travel outside the U.S.

## About SilverScript

The Medicare Part D program began in 2006 to help eligible Americans access and pay for their prescription drugs. As an approved plan sponsor, SilverScript Insurance Company is proud to celebrate more than a decade of working within the Medicare program to help improve the health of America's seniors and people with disabilities.

More than 5 million<sup>1</sup> people use SilverScript for their Medicare Part D Prescription Drug Coverage. Why?

- Affordable plans
- Extensive pharmacy network
- Comprehensive coverage
- Round-the-clock member support and assistance
- Convenient CVS Caremark Mail Service Pharmacy<sup>2</sup>



More information about these features to come.

**FIRST, I'LL HELP YOU UNDERSTAND MORE ABOUT MEDICARE AND MEDICARE ELIGIBILITY.**

## Medicare Part D Eligibility



You are eligible for Medicare Part D prescription drug coverage if you meet all three of the following requirements:

- You have Medicare Part A and/or B
- You live in the plan's service area
- You are 65 or older, or under 65 and have received disability benefits from Social Security or the Railroad Retirement Board for at least 24 months<sup>3</sup>

People who qualify for enrollment in a Medicare-approved prescription drug plan are eligible to enroll in a Part D plan offered by the SilverScript Insurance Company.

## Medicare Part D

# Getting Prescription Drug Coverage

Medicare Part D prescription drug coverage is available to you in one of three ways:

1. Enroll in a stand-alone PDP that offers prescription drug coverage only. SilverScript plans are stand-alone plans.
2. Enroll in a Medicare Advantage Plan that includes a prescription drug benefit, commonly known as Medicare Advantage Prescription Drug (MA-PD).
3. Enroll in Medicare Part A and Part B, a stand-alone PDP and optional Medigap insurance.



Rely on a qualified agent to help you understand your choices, our plans, how coverage works and how to use your benefits. Our goal is to help you decide which plan design will be right for you.



.....  
Reminder: You may only be enrolled in one Medicare Part D prescription drug plan at any given time.

## Medicare Part D

# How the Four Stages of Part D Coverage Work

The amount of coverage you have for prescription drugs may change throughout the year, depending on which stage you are in.

### Deductible Stage (if applicable)

The period of time when you pay the full cost of your prescriptions until your deductible is met and cost-sharing begins. SilverScript plans do not require you to pay a deductible.<sup>5</sup>

### Initial Coverage Stage

This stage begins after you reach your deductible. During this stage, cost-sharing begins, which means you pay a copayment or coinsurance percentage for prescription drugs until you reach your plan's initial coverage limit, which is \$3,700.

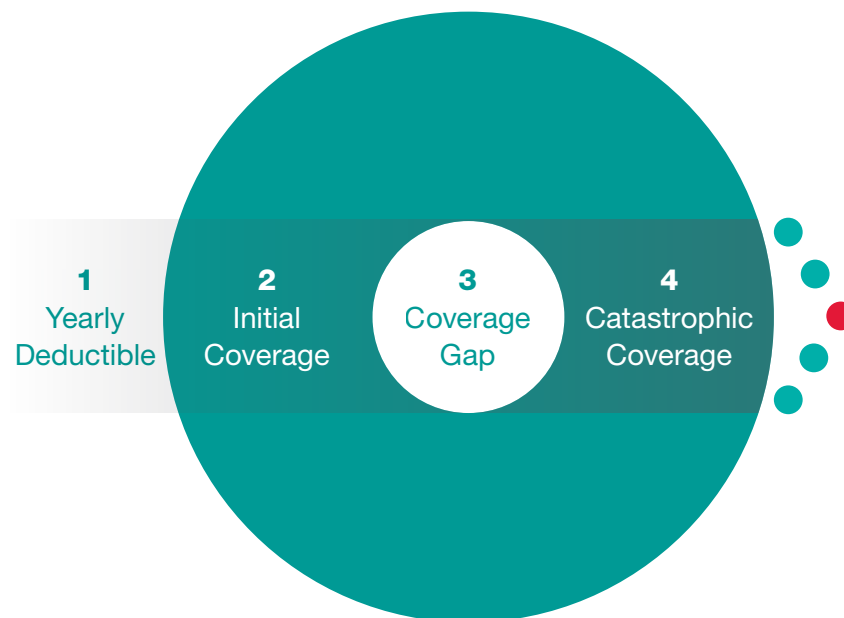
### Coverage Gap Stage (Donut Hole)

After you reach \$3,700 in drug spending, this is the period of time when you have limited coverage for your medications, unless you are enrolled in a plan that provides coverage in the Gap.

### Catastrophic Coverage Stage

You enter this stage after your out-of-pocket costs have reached \$4,950. During this stage, you usually pay a low copayment or coinsurance percentage for prescription drugs for the remainder of the plan year.

The four stages of Medicare Part D prescription drug coverage





# Medicare Part D

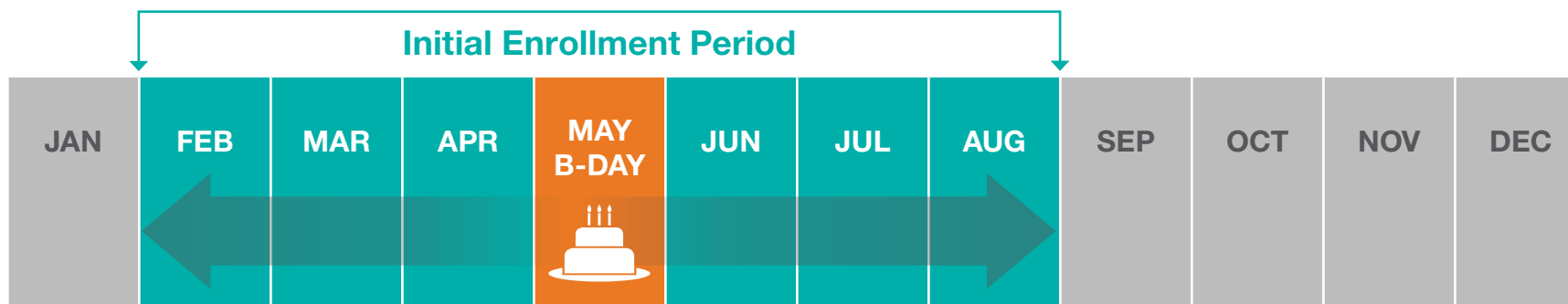
## Enrollment Periods

<b>Initial Enrollment Period (IEP)</b>	<b>Turning 65</b>	Your 7-month IEP <b>begins three months before the month you turn 65, includes the month you turn 65, and ends three months after the month you turn 65.*</b>
	<b>Under 65</b> with a disability	Your 7-month IEP <b>begins 21 months after you get Social Security (SS) or Railroad Retirement Board (RRB) benefits and ends on the 27th month after you get SS or RRB benefits.</b>
<b>Special Enrollment Period (SEP)</b>	Medicare Part D allows a Special Enrollment Period when certain events occur, for example: <ul style="list-style-type: none"><li>• Moving out of your current plan's service area</li><li>• Losing creditable prescription drug coverage</li><li>• Moving into a nursing home or long-term care facility</li><li>• Your plan no longer offers coverage</li></ul>	
<b>Annual Enrollment Period (AEP)</b>	<b>Enroll</b> in a new prescription drug plan <b>Switch</b> from one prescription drug plan to another	Annually: <b>October 15—December 7</b> for coverage that begins January 1 of the following year.

 There are a lot of different SEP reasons. I can review them with you.

\*There is an exception: If your birthday falls on the first of any month, your 7-month IEP begins and ends one month sooner. For example, if your birthday is July 1, your 7-month IEP is the same as if you were born in June—beginning in March and ending in September.

Important Date to Remember:  
**Initial Enrollment Period**

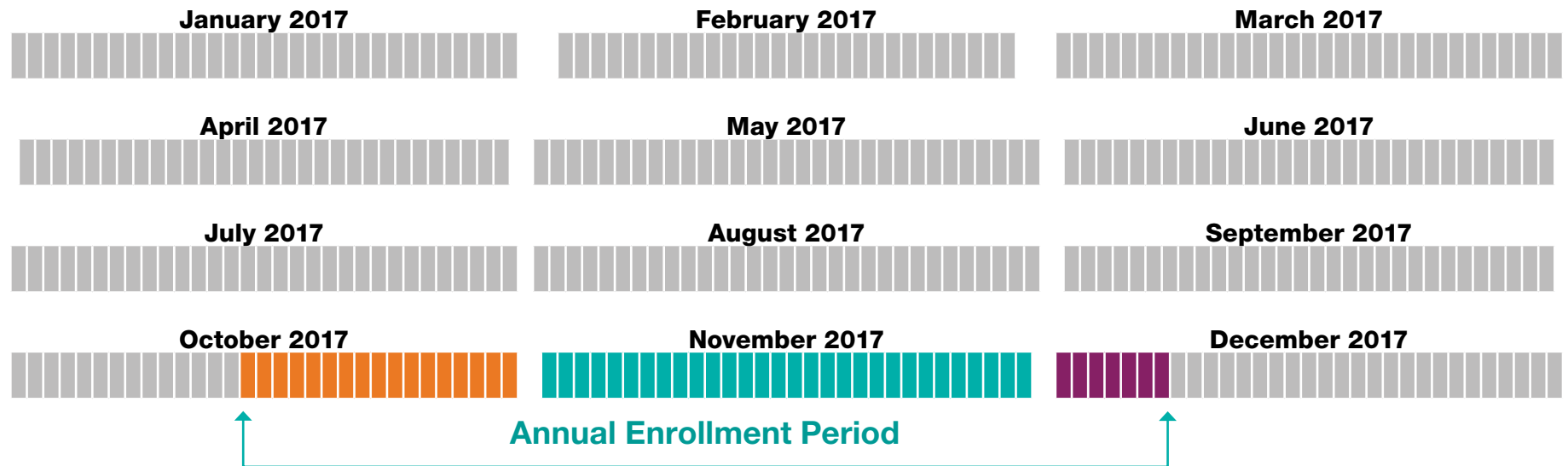


**Initial Enrollment Period (IEP)**

- The 7-month period when you are first eligible to enroll in a Medicare Part D plan. Your IEP begins the 3 months prior to your 65th birthday, the month of your 65th birthday, and the 3 months after your 65th birthday.<sup>†</sup>

<sup>†</sup>There is an exception: if your birthday falls on the first day of any month, your 7-month Initial Enrollment Period (IEP) begins and ends one month sooner. For example, if your birthday is May 1, your 7-month IEP is the same as if you were born in April — beginning in January and ending in July.

Important Date to Remember:  
**Annual Enrollment Period**



.....  
**Annual Enrollment Period (IEP)**

- October 15 through December 7
- Enroll in the plan of your choice for a January 1 effective date

Ask your SilverScript representative if you qualify for a Special Enrollment Period (SEP).

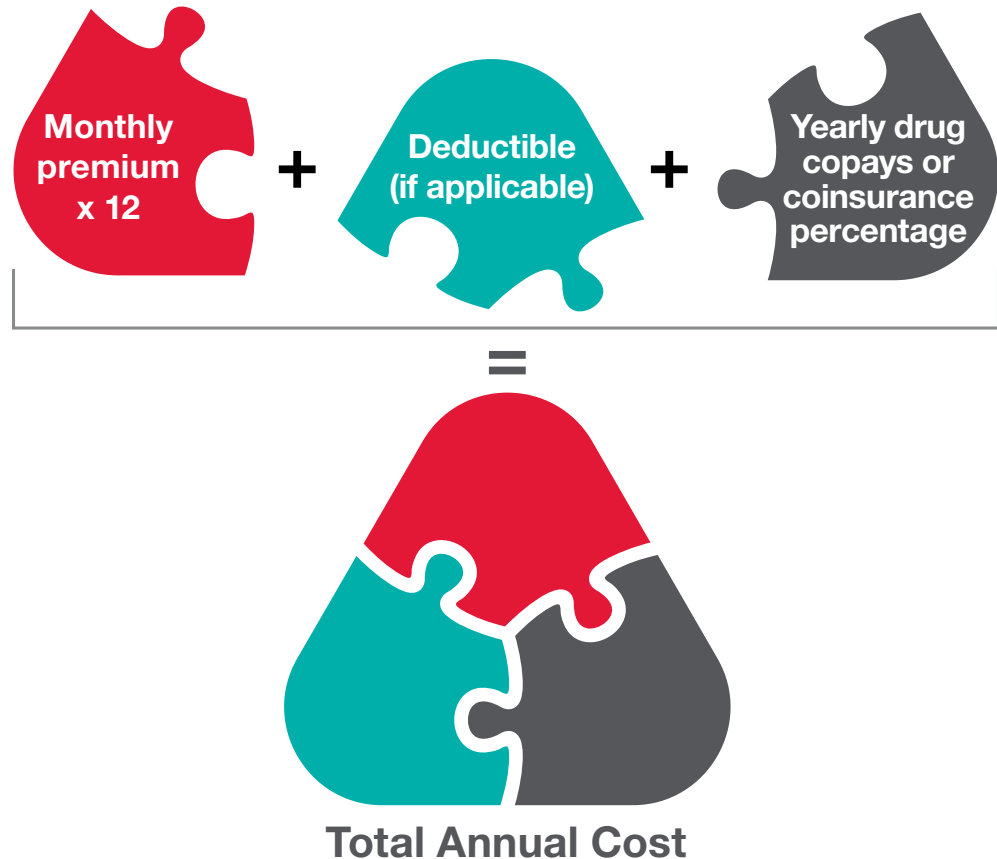
## Medicare Part D

# Understanding Total Cost

How much will your Medicare prescription drug plan cost?

Be sure to include:

- copays and coinsurance percentage costs
- annual deductible
- monthly plan premiums



## SilverScript Prescription Drug Plans (PDP)

# Two PDP Plans to Meet Your Needs and Your Budget

### SilverScript **Choice** (PDP)

Comprehensive coverage with low copays.

.....

### SilverScript **Plus**<sup>4</sup> (PDP)

Providing additional benefits in the Medicare Coverage Gap and additional savings at preferred pharmacies.

### Don't settle for less than SilverScript

Today, more than 5 million people rely on SilverScript Part D coverage... and for all the right reasons.

- **Affordable:** \$0 deductible<sup>5</sup> plans, low and no copays.
- **Trusted:** Serving people with Medicare since Part D began.
- **Stable:** One of America's largest Part D providers.
- **Flexible:** Choose from two plan options to cover your individual needs.
- **Comprehensive:** More than 3,300 drugs covered.
- **Strong:** More than 66,000 pharmacies, nationwide.
- **Convenient:** CVS Caremark Mail Service Pharmacy<sup>2</sup> enables prescription drug delivery to your home free of charge for standard delivery.
- **Supportive:** 24/7 U.S.-based Customer Care.
- **Recognized:** SilverScript is a member of the CVS Health family of companies dedicated to lowering healthcare costs and improving health outcomes for our valued members.



# SilverScript Prescription Drug Plans

## SilverScript Choice

## SilverScript Choice

### ANNUAL DEDUCTIBLE

### INITIAL COVERAGE

### DRUG TIERS

**Tier 1**

**Tier 2**

**Tier 3**

**Tier 4**

**Tier 5**

### COVERAGE GAP (DONUT HOLE)

### CATASTROPHIC COVERAGE (AFTER DONUT HOLE)

## \$0 DEDUCTIBLE

SilverScript Choice is a \$0 deductible plan\*, meaning your Initial Coverage stage begins the day your plan takes effect.

### YOUR COPAYS (\$) AND COINSURANCE (%)

	Standard Pharmacy		CVS Caremark Mail Service Pharmacy
	30-day	90-day	90-day
<b>Tier 1</b>	\$3–\$7	\$7.50–\$21	\$0–\$17.50
<b>Tier 2</b>	\$12–\$20	\$30–\$60	\$30–\$50
<b>Tier 3</b>	\$42–\$47	\$105–\$141	\$105–\$117.50
<b>Tier 4</b>	44%–50%	44%–50%	44%–50%
<b>Tier 5</b>	33%	N/A	N/A

You leave the Initial Coverage stage and enter the Medicare Coverage Gap (Donut Hole) when you have reached \$3,700 in total yearly drug costs (not including monthly premiums).

**Generic Drugs** You pay 51% of the cost

**Brand Drugs** You pay 40% of the cost

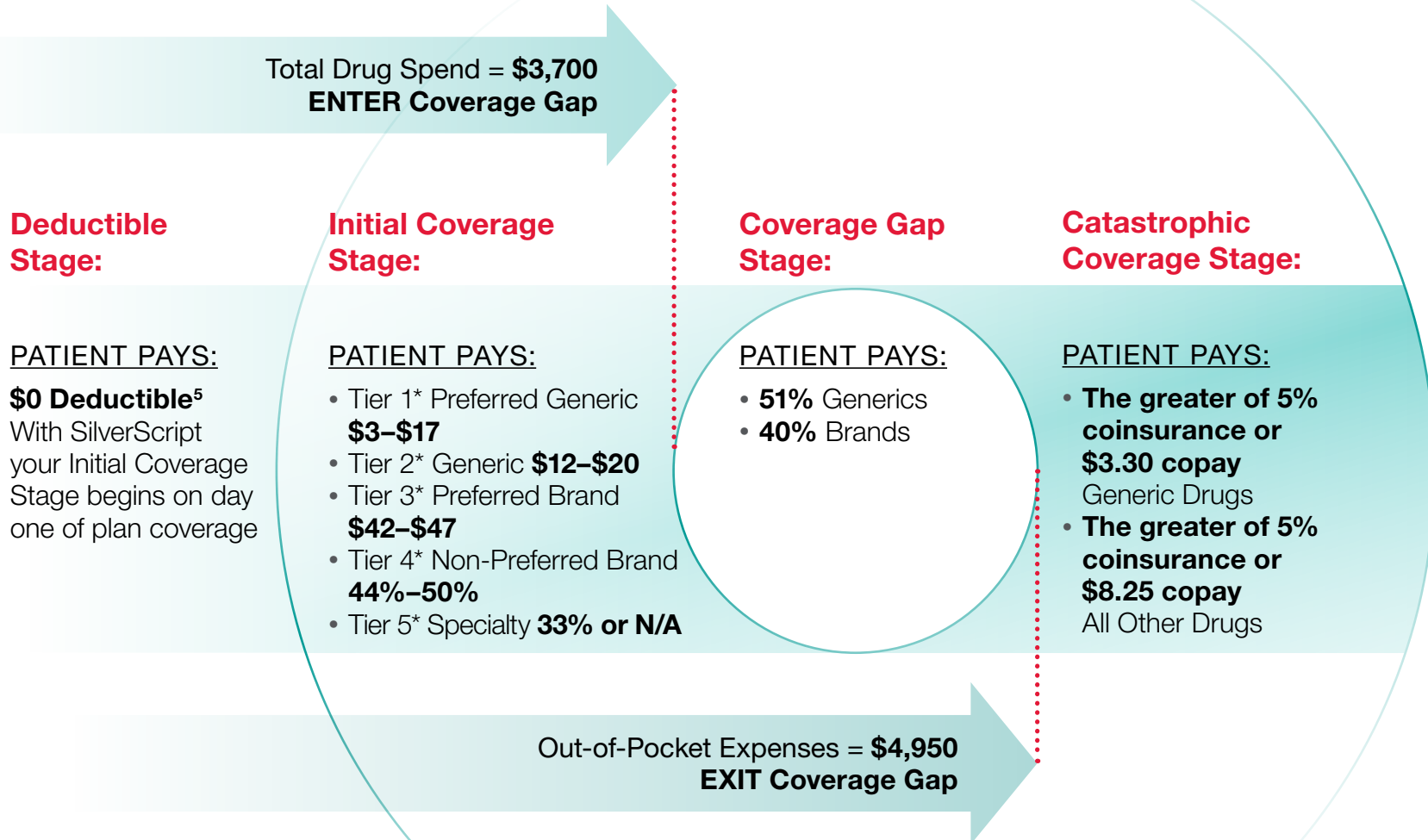
You enter the Catastrophic Coverage stage when you have spent \$4,950 out of pocket (not including monthly premiums).

**Generic Drugs** You pay the greater of 5% coinsurance or \$3.30 copay

**All Other Drugs** You pay the greater of 5% coinsurance or \$8.25 copay

\*Alaska Choice Plan has a \$400 deductible and copays/coinsurance percentage of \$1/\$4/15%/35%/25% (Tiers 1-5). Hawaii Choice Plan has a \$400 deductible and copays/coinsurance of \$1/\$4/17%/36%/25% (Tiers 1-5).

# 2017 SilverScript Choice Prescription Drug Coverage



<sup>5</sup>All Tiers may include generic and brand drugs. Alaska Choice Plan has a \$400 deductible and Stage 2 copays/coinsurance percentage of \$1/\$4/15%/35%/25% (Tiers 1-5). Hawaii Choice Plan has a \$400 deductible and Stage 2 copays/coinsurance percentage of \$1/\$4/17%/36%/25%

# SilverScript Prescription Drug Plans

## SilverScript Plus

### SilverScript Plus<sup>4</sup>

#### ANNUAL DEDUCTIBLE

#### INITIAL COVERAGE

#### DRUG TIERS

Tier
Tier 2
Tier 3
Tier 4
Tier 5

#### COVERAGE GAP (DONUT HOLE)

Tier 1
Tier 2
Tiers 3, 4 and 5

#### CATASTROPHIC COVERAGE (AFTER DONUT HOLE)

#### \$0 DEDUCTIBLE

SilverScript Plus is a \$0 deductible plan, meaning your Initial Coverage stage begins the day your plan takes effect.

#### YOUR COPAYS (\$) AND COINSURANCE (%)

	Preferred Pharmacy		Standard Pharmacy		Mail Service Pharmacy	
	30-day	90-day	30-day	90-day	Preferred	Standard
Tier 2	\$0	\$0	\$10	\$30	\$0	\$30
Tier 3	\$3	\$7.50	\$20	\$60	\$0	\$60
Tier 4	\$23–\$33	\$57.50–\$82.50	\$47	\$141	\$57.50–\$82.50	\$141
Tier 5	39%–45%	39%–45%	50%	50%	39%–45%	50%
	33%	N/A	33%	N/A	N/A	N/A

You leave the Initial Coverage stage and enter the Medicare Coverage Gap when you have reached \$3,700 in total yearly drug costs (not including monthly premiums).

	30-day	90-day	30-day	90-day	90-day
Tier 1	\$0	\$0	\$10	\$30	\$0
Tier 2	\$3	\$7.50	\$20	\$60	\$0

**Generic Drugs** You pay 51% of the cost  
**Brand Drugs** You pay 40% of the cost

You enter the Catastrophic Coverage stage when you have spent \$4,950 out of pocket (not including monthly premiums).

**Generic Drugs** You pay the greater of 5% coinsurance percentage or \$3.30 copay  
**All Other Drugs** You pay the greater of 5% coinsurance percentage or \$8.25 copay



# 2017 SilverScript Plus<sup>4</sup> Prescription Drug Coverage

Total Drug Spend = **\$3,700**  
**ENTER Coverage Gap**

## Deductible Stage:

### PATIENT PAYS:

**\$0 Deductible<sup>5</sup>**  
With SilverScript your Initial Coverage Stage begins on day one of plan coverage

## Initial Coverage Stage:

### PATIENT PAYS:

- Tier 1\*\* Preferred Generic **\$0-\$10**
- Tier 2\*\* Generic **\$3-\$20**
- Tier 3\*\* Preferred Brand **\$23-\$47**
- Tier 4\*\* Non-Preferred Brand **39%-50%**
- Tier 5\*\* Specialty **33% or N/A**

## Coverage Gap Stage:

### PATIENT PAYS:

- **\$0-\$10** Tier 1
- **\$3-\$20** Tier 2
- **51%** Generics/**40%** Brands Tiers 3, 4 and 5

## Catastrophic Coverage Stage:

### PATIENT PAYS:

- **The greater of 5% coinsurance or \$3.30 copay** for Generic Drugs
- **The greater of 5% coinsurance or \$8.25 copay** for All Other Drugs

Out-of-Pocket Expenses = **\$4,950**  
**EXIT Coverage Gap**

\*\*All Tiers may include generic and brand drugs. SilverScript Plus is not available in Alaska.

# Two Extensive Nationwide Pharmacy Networks

At home or traveling the U.S., it's reassuring to know that we're never far from where you are.

**SilverScript Choice has your convenience covered, too.**

SilverScript Choice network—consistent copays from coast to coast. Fill your prescriptions at more than 66,000 pharmacies and enjoy the same low copays and coinsurance percentage.



Also, thousands of local, independent pharmacies.

**SilverScript Plus network—more savings!**

SilverScript Plus members enjoy low copays at more than 66,000 pharmacies across the U.S. For even lower copays and coinsurance percentage, preferred pricing is offered at more than 37,000 pharmacies.

# What to Expect After You Enroll in a SilverScript Plan

## WHAT TO EXPECT IN THE MAIL:

## DESCRIPTION:

### ENROLLMENT VERIFICATION LETTER (OEV)

A letter verifying your intent to enroll in a SilverScript PDP.

### ACKNOWLEDGMENT OF APPLICATION LETTER

A letter acknowledging that we've received your enrollment application and have sent it to Medicare for processing.

### ENROLLMENT CONFIRMATION AND ID CARD:

#### 2017 Member ID Card

SilverScript ID card valid beginning January 1, 2017. You will need to present your ID Card whenever you visit a pharmacy.

#### Medicare Part D Enrollment Confirmation

A letter confirming that Medicare has approved your enrollment in SilverScript.

### WELCOME KIT:

#### New Member Reference Guide

New Member Reference Guide, a quick reference tool to help you get started with your SilverScript plan.

#### CVS Caremark Mail Service Pharmacy Order Form

A form to get you started using our mail service pharmacy. There is no cost for standard deliveries!

#### Pharmacy Directory

A list of nearby pharmacies including a brief description, contact information and pharmacy services.

#### Abridged Formulary

The most current list of additions, deletions and changes to our list of covered drugs.

#### Evidence of Coverage Booklet

A guide to using your benefits explaining how your coverage works, the services we offer and your rights and responsibilities.

# Five Questions to Ask When Choosing a Medicare Prescription Drug Plan



- 1 Do I have the right kind of coverage?
- 2 Are the drugs I take covered by the plan?
- 3 Is the pharmacy I use in the plan's network?
- 4 Does the plan offer me the convenience of a mail service pharmacy?
- 5 Is the plan helpful when I need assistance?

# Medicare Part D Terminology

## Phrases You Need to Understand

### 1 Late Enrollment Penalty

You may be subject to a Late Enrollment Penalty (LEP) if, at any time after your Initial Enrollment Period is over, there is a period of 63 or more days in a row when you did not have Medicare Part D or other creditable prescription drug coverage. The amount of your LEP depends on how long you went without creditable prescription drug coverage.

.....

### 2 Creditable Prescription Drug Coverage

Creditable prescription drug coverage is coverage (from an employer, union or independent) that is at least as good as Medicare's standard prescription drug coverage. If you have this kind of coverage when you become eligible for Medicare, you can generally keep it and not be subject to a Late Enrollment Penalty if you decide to enroll at a later time.

**Note:** If you get Extra Help, you are not subject to Medicare Part D's Late Enrollment Penalty.

See slide 23 for more information about Extra Help.



# Medicare Part D Terminology (continued)

## Phrases You Need to Understand

### 3 Part D-Income Related Monthly Adjustment Amount (Part D-IRMAA)

If a beneficiary's "modified adjusted gross income" is greater than the specified threshold amounts (\$85,000 in 2017 for a beneficiary filing an individual income tax return or married and filing a separate return, and \$170,000 for a beneficiary filing a joint tax return), then the beneficiary is responsible for a larger portion of the total cost of Part D benefit coverage. In addition to the normal Part D premium paid to a plan, such beneficiaries must pay an income-related monthly adjustment amount. Unlike the normal Part D premium, beneficiaries will not pay the Part D income-related monthly adjustment amounts to Part D plans. Instead, the Part D income-related monthly adjustment amounts will be collected by the federal government.

Important points about the Part D IRMAA to keep in mind:

- If you owe an IRMAA, Social Security will send you a letter notifying you that the extra amount you owe will be added to your Medicare Part D premium.
- The Part D IRMAA is billed directly by the Centers for Medicare and Medicaid Services, which means any IRMAA payment should not be sent to your prescription drug plan.
- If you do not pay your IRMAA, you may be at risk disenrollment from your Medicare Part D plan.
- More information about the Part D IRMAA can be found on Medicare.gov website.

# Medicare Part D Terminology (continued)

## Phrases You Need to Understand

### 4 Extra Help

Many people qualify for Extra Help from Medicare and don't even know it. If you believe you qualify for Extra Help, complete the *Application for Extra Help with Medicare Prescription Drug Plan Costs* and submit it to the Social Security Administration.

**To qualify, you must meet three requirements:**



#### 1. Your Residence

You must reside in one of the 50 states or the District of Columbia.



#### 2. Your Resources

Must be limited to \$13,640 for an individual or \$27,250 for a married couple living together. (Resources include bank accounts, stocks and bonds, but do not include your home, car or life insurance policies). Limits are subject to change.



#### 3. Your Income

Must be limited to \$17,820 for an individual, \$24,030 for a married couple living together (limits are subject to change). Even if your income is higher, you may be eligible for some help.



#### By Phone

Call Social Security  
toll free at **1-800-772-1213**  
**(TTY 711)**,  
between 8:00 a.m.  
and 7:00 p.m. EST,  
Monday through Friday.



#### Online

Visit the Social Security  
website at  
**[www.socialsecurity.gov](http://www.socialsecurity.gov)**



#### In Person

Apply at your local  
**Social Security office**

# Important Reminders

- Your privacy is important to us. Our employees are trained regarding the appropriate way to handle your private health information.
- Members may enroll in the plan only during specific times of the year. Contact the plan for more information.
- Eligible beneficiaries must use the network pharmacies to access their prescription drug benefit, except under non-routine circumstances (quantity limitations and restrictions apply.)
- This information is not a complete description of benefits. Contact the plan for more information.
- Limitations, copayments and restrictions may apply.
- Benefits, premiums and/or copayments/coinsurance may change on January 1 of each year.
- The formulary, pharmacy network, and/or provider network may change at any time. You will receive notice when necessary.
- You must continue to pay your Medicare Part B premium.
- SilverScript Insurance Company complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
- **ATTENTION:** If you speak English, language assistance services, free of charge, are available to you. Call 1-866-235-5660 (TTY: 711) 24 hours a day, 7 days a week.
- **ATENCIÓN:** Si usted habla español, tenemos servicios de asistencia lingüística disponibles para usted sin costo alguno. Llame al 1-866-235-5660 (TTY: 711), las 24 horas del día, los 7 días de la semana.
- 小贴士: 如果您说中文, 欢迎使用免费语言协助服务。请拨1-866-235-5660 (TTY: 711)。一周7天, 每天24小时随时受理。
- SilverScript is a Prescription Drug Plan with a Medicare contract offered by SilverScript Insurance Company. Enrollment in SilverScript depends on contract renewal.



## Citations & Clarifications

- <sup>1</sup> CMS, Monthly Enrollment by Contract report, July, 2016. <http://go.cms.gov/mapddata>
- <sup>2</sup> The typical number of days after the mail order pharmacy receives an order to receive your shipment is up to 10 days. Enrollees have the option to sign up for automated mail order delivery.
- <sup>3</sup> There is no 24-month waiting period if you have Amyotrophic Lateral Sclerosis (ALS), also known as Lou Gehrig's disease, or End Stage Renal Disease (ESRD) with resulting dialysis treatment or a kidney transplant.
- <sup>4</sup> SilverScript Plus (PDP) not available in Alaska.
- <sup>5</sup> Choice Plan in Alaska and Hawaii has a deductible of \$400. The monthly premium is \$39.90 in Alaska; \$25.80 in Hawaii.

## Do You Have Any Questions?



Thank you for considering  
**SilverScript.**

**For additional information, please  
consult your certified SilverScript Agent.**

You can also contact us at:

**SilverScript.com**

**1-855-771-9286 (TTY: 711)**

24 hours a day, 7 days a week.

SilverScript is a Prescription Drug Plan with a Medicare contract offered by SilverScript Insurance Company. Enrollment in SilverScript depends on contract renewal.

©2016 SilverScript Insurance Company. All Rights Reserved.