LET’S TALK ABOUT MEDICARE

FILLING THE GAP

ADDITIONAL BENEFITS AND COVERAGE

WHAT’S NEXT?
ORIGINAL MEDICARE

Part A — hospital coverage
• Inpatient hospital care
• Skilled nursing facility care
• Hospice

Part B — medical coverage
• Outpatient care and service
• Durable medical equipment
• Preventive care

Not covered:
• Deductibles, coinsurance, and copays
• Most outpatient prescription drugs
• Care beyond Medicare’s limits
• Most care received outside the U.S.
• Charges exceeding Medicare approved amounts

There’s a gap.
FILLING THE GAP

3
OPTIONS TO PAY AFTER MEDICARE

• Employer Group Retiree Plans
  • UI Choice
    – Includes prescription drug coverage

• Individual plans
  • Medicare supplement plans may also be called Medigap plans
  • Must be enrolled in Medicare Part A and Part B
  • Purchased separately to supplement Original Medicare
    – Does not include prescription drug coverage
    – Medicare Part D
MEDICARE SUPPLEMENT PLANS

Pros

• Typically cost less than an Employer Group Retiree Plan
• Accepted anywhere is the United States
• Little to no cost share
• Stable premiums

Cons

• Minimal coverage outside the United States
• Does not include prescription coverage
WELLMARK MEDICARE SUPPLEMENT MEMBERS GET MORE

- Discounts on hearing and vision services through Blue365®
- Homegrown customer service, from people who live and work in your community
- Optional prescription drug coverage
- Preferred premiums for those who live a healthy lifestyle
- Stable premiums, so members can plan from year to year
PART D — PRESCRIPTION DRUG COVERAGE

- Members have the option to purchase prescription drug coverage in addition to their Medicare supplement plan
- Choose between two different options offered by Wellmark
  - Formulary covers specific generic and brand name drugs.
  - Nationwide network of more than 67,000 pharmacies
# HIGH-LEVEL COMPARISON

<table>
<thead>
<tr>
<th>MedicareBlue Rx details</th>
<th>MedicareBlue Rx Standard</th>
<th>MedicareBlue Rx Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly plan premium</td>
<td>$37.90</td>
<td>$89.70</td>
</tr>
<tr>
<td><strong>Annual deductible</strong> – amount you pay before initial coverage begins</td>
<td>$0 on Tier 1 &amp; 2 (Preferred Generic and Generic) drugs; $415 Tier 3 (Preferred Brand); Tier 4 (Non-Preferred); Tier 5 (Specialty)</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Initial coverage</strong> – amount you pay for a 30-day supply</td>
<td>Preferred cost sharing after deductible</td>
<td>Standard cost sharing after deductible</td>
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<tr>
<td>Tier 1: Preferred Generic drugs</td>
<td>$3 copay</td>
<td>$15 copay</td>
</tr>
<tr>
<td>Tier 2: Generic drugs</td>
<td>$7 copay</td>
<td>$20 copay</td>
</tr>
<tr>
<td>Tier 3: Preferred Brand drugs</td>
<td>16% coinsurance</td>
<td>25% coinsurance</td>
</tr>
<tr>
<td>Tier 4: Non-Preferred drugs</td>
<td>35% coinsurance</td>
<td>48% coinsurance</td>
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<tr>
<td>Tier 5: Specialty drugs</td>
<td>25% coinsurance</td>
<td>25% coinsurance</td>
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<tr>
<td><strong>Coverage gap</strong> – amount you pay for a 30-day supply after your total yearly covered prescription drug costs reach $3,820¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1: $0 copay</td>
<td>Tier 1: $15 copay</td>
<td></td>
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<tr>
<td>Tier 2: $0 copay</td>
<td>Tier 2: $20 copay</td>
<td></td>
</tr>
<tr>
<td>Generic: 44% of the plan’s cost for generic drugs</td>
<td>Generic: 37% of the plan cost</td>
<td></td>
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<tr>
<td>Brand-name drugs: 35% of the plan’s cost for brand-name drugs</td>
<td>Brand-name: 25% of the plan cost</td>
<td></td>
</tr>
<tr>
<td><strong>Catastrophic coverage</strong> – amount you pay for a 30-day supply after you have paid $5,100 in out-of-pocket prescription drug costs².</td>
<td>The greater of $3.40 copay for generic drugs and $8.50 copay for all other covered drugs OR 5% coinsurance.</td>
<td></td>
</tr>
</tbody>
</table>

¹The greater of $3.40 copay for generic drugs and $8.50 copay for all other covered drugs OR 5% coinsurance.

²The greater of $3.40 copay for generic drugs and $8.50 copay for all other covered drugs OR 5% coinsurance.
ADDITIONAL BENEFITS AND COVERAGE
New for 2018!

Blue Dental – 2 Plan Options
Avesis Vision/Amplifon Hearing – 2 Plan Options

- Must be on modernized MedicareBlue℠ Supplement plan
- Resident of Iowa
WHAT’S NEXT?
THANK YOU
DISCLAIMER INFORMATION

Wellmark Medicare supplement insurance plans are specific to Wellmark Blue Cross and Blue Shield of Iowa and Wellmark Blue Cross and Blue Shield of South Dakota and can only be purchased by Iowa and South Dakota residents, respectively. Wellmark Medicare supplement plans are not connected with or endorsed by the U.S. government or the federal Medicare program.

MedicareBlue Rx and Group MedicareBlue Rx are Medicare-approved Part D sponsors. Enrollment in MedicareBlue Rx depends on contract renewal. Enrollment in Group MedicareBlue Rx depends on renewal of the plan sponsor’s contract with Medicare. Coverage is available to residents of the service area or members of an employer or union group and separately issued by one of the following plans: Wellmark Blue Cross and Blue Shield of Iowa,* Blue Cross and Blue Shield of Minnesota,* Blue Cross and Blue Shield of Montana,* Blue Cross and Blue Shield of Nebraska,* Blue Cross Blue Shield of North Dakota,* Wellmark Blue Cross and Blue Shield of South Dakota,* and Blue Cross Blue Shield of Wyoming.*

*Independent licensees of the Blue Cross and Blue Shield Association

The pharmacy network may change at any time. You will receive notice when necessary.