

Effective **January 1, 2020**, Medicare-eligible retirees and their covered Medicare-eligible dependents will have a new prescription drug plan called **SilverScript Employer Prescription Drug Plan (PDP) sponsored by Alaska Electrical Health & Welfare Fund**.

What is SilverScript?

SilverScript is a Medicare Part D Prescription Drug Plan with additional coverage provided by ALASKA ELECTRICAL HEALTH & WELFARE FUND. The plan is offered by SilverScript[®] Insurance Company which is affiliated with CVS Caremark[®], ALASKA ELECTRICAL HEALTH & WELFARE FUND's current pharmacy benefit manager. SilverScript[®] has a contract with Medicare to offer prescription drug coverage.

SilverScript combines a standard Medicare Part D prescription drug plan with additional coverage provided by ALASKA ELECTRICAL HEALTH & WELFARE FUND to close the gaps between the standard Part D plan and your current coverage.

Why is SilverScript being implemented?

SilverScript is a program that allows ALASKA ELECTRICAL HEALTH & WELFARE FUND and retirees to take advantage of better pricing and governmental assistance programs while providing a high-quality, low cost pharmacy benefit.

Is there an impact on me or my dependent(s)?

Individuals not eligible for Medicare will continue to be covered by the CVS Caremark plan and continue to use their current ID card.

Individuals eligible for Medicare will be automatically enrolled in SilverScript by CVS Caremark[®] and receive a new prescription card. The new prescription card will allow Retirees to provide one card to their pharmacist and coordinate coverage under Medicare Part D and SilverScript.

How will my prescription coverage be impacted?

SilverScript coverage has been custom-tailored for participants in ALASKA ELECTRICAL HEALTH & WELFARE FUND's retiree medical plan.

- You will have **prescription drug benefits** that align to your current plan. Under your current plan, the list of approved drugs changes throughout the year based on availability of generics and new drugs that become available. SilverScript will use the same process.
- As with your current plan, there is **no deductible** with the SilverScript plan.

SILVERSCRIPT (MEDICARE PART D & CVS HEALTH) INFORMATION

- You will pay the **same copays** for generic, preferred brand and non-preferred brand drugs. Please see copay matrix below:

| RETAIL | | | | MAIL | | | |
|----------------------|--------|--------|--------|----------------------|--------|--------|--------|
| Formulary Tier Label | Tier 1 | Tier 2 | Tier 3 | Formulary Tier Label | Tier 1 | Tier 2 | Tier 3 |
| 1-30 Day Supply | \$15 | \$35 | \$50 | 1-90 Day Supply | \$30 | \$70 | \$100 |
| 31-60 Day Supply | \$30 | \$70 | \$100 | | | | |
| 61-90 Day Supply | \$45 | \$105 | \$150 | | | | |

How will I enroll and/or get insurance cards?

You do not need to enroll in the Medicare Part D plan. ALASKA ELECTRICAL HEALTH & WELFARE FUND will automatically enroll eligible retirees in the SilverScript plan and SilverScript will submit your enrollment information to Medicare. If additional information is needed to process enrollment, such as your Medicare Number or physical street address, SilverScript will contact you directly.

All covered individuals automatically enrolled for Medicare will receive their own explanation of benefits and ID cards in the mail from SilverScript.

What will SilverScript cost retirees?

The cost, if any, for SilverScript is based on your adjusted gross income (AGI). AGI thresholds are reviewed and set annually by Medicare. If a monthly fee applies, the fee will be deducted from your Social Security Income like Medicare Part B.

| File individual tax return | File joint tax return | You pay each month |
|----------------------------|-----------------------|--------------------|
| \$87,000 or less | \$174,000 or less | \$0.00 |
| \$87,000 and above | \$174,000 and above | \$12.20 - \$76.40* |

*Rates are determined on a sliding scale based on income level. More information can be found at <https://www.medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/monthly-premium-for-drug-plans>

Low-income retirees will not pay a monthly fee for Part D and will have greater access to government assistance programs to help with prescription drug costs. For 2018, low income was defined as an AGI of \$18,210 for an individual or \$24,690 for a married couple.

Can I opt out of SilverScript?

When you enroll in health insurance through ALASKA ELECTRICAL HEALTH & WELFARE FUND, you are automatically enrolled in prescription coverage. You can opt out of health and

SILVERSCRIPT (MEDICARE PART D & CVS HEALTH) INFORMATION

prescription benefits, however you cannot have health benefits without prescription coverage.

When will I receive more detailed information about SilverScript?

More detailed information will be issued in advance of January 1, 2020 including information meetings to attend. Starting in October 2019 retirees will be able to contact SilverScript Customer Care regarding any questions or to learn more about how the plan will work.