

# 2010 STANDARD MEDICARE PART D PLAN UPDATES

## OUT-OF-POCKET PRESCRIPTION DRUG BENEFIT COSTS

The charts below and the written description on the back side of this document provide a general comparison of out-of-pocket costs for Medicare-eligible Participants. It should be noted that the MPIHP prescription benefits are difficult to compare with Medicare Part D because the benefit calculations differ. However, these calculations are based on putting MPIHP Participant costs into Medicare terms. The co-payment amounts included in the charts for both MPIHP and Medicare Part D are based on (up to a) 30-day supply. You can lower the average monthly co-pay amount even further for maintenance medications by using MPIHP home delivery services.

| MPIHP RETIREE HEALTH PLAN PARTICIPANT* |               | YOU PAY      |
|--|---------------|--------------|
| No Annual Premium                      | =             | 0            |
| No Annual Deductible                   | =             | 0            |
| <b>TOTAL</b>                           | =             | <b>0</b>     |
| <b>All Costs to \$2,830</b>            |               |              |
| You Pay Only                           | Approximately |              |
| \$5, \$20 or \$30 per Prescription     | =             | \$368        |
| <b>TOTAL</b>                           | =             | <b>\$368</b> |
| <b>All Costs to \$6,440</b>            |               |              |
| You Still Pay Only                     | Approximately |              |
| \$5, \$20 or \$30 per Prescription     | =             | \$469        |
| <b>TOTAL (\$368 + \$469)</b>           | =             | <b>\$837</b> |
| <b>All Costs Over \$6,440</b>          |               |              |
| You Still Pay Only                     |               |              |
| \$5, \$20 or \$30 per Prescription!    |               |              |

| MPIHP ACTIVE HEALTH PLAN PARTICIPANT* |               | YOU PAY        |
|---------------------------------------|---------------|----------------|
| No Annual Premium                     | =             | 0              |
| No Annual Deductible                  | =             | 0              |
| <b>TOTAL</b>                          | =             | <b>0</b>       |
| <b>All Costs to \$2,830</b>           |               |                |
| You Pay Only                          | Approximately |                |
| \$10 to \$40 per Prescription         | =             | \$509          |
| <b>TOTAL</b>                          | =             | <b>\$509</b>   |
| <b>All Costs to \$6,440</b>           |               |                |
| You Still Pay Only                    | Approximately |                |
| \$10 to \$40 per Prescription         | =             | \$650          |
| <b>TOTAL (\$509 + \$650)</b>          | =             | <b>\$1,159</b> |
| <b>All Costs Over \$6,440</b>         |               |                |
| You Still Pay Only                    |               |                |
| \$10 to \$40 per Prescription!        |               |                |

| 2010 MEDICARE PART D STANDARD PLAN PARTICIPANT** |   | YOU PAY        |
|--|---|----------------|
| Annual Estimated Premium                         | = | \$360          |
| Annual Deductible                                | = | \$310          |
| <b>TOTAL</b>                                     | = | <b>\$670</b>   |
| <b>All Costs from \$310 to \$2,830</b>           |   |                |
| You Pay 25%                                      | = | \$630          |
| <b>TOTAL (\$670 + \$630)</b>                     | = | <b>\$1,300</b> |
| <b>All Costs from \$2,830 to \$6,440</b>         |   |                |
| You Pay 100%                                     | = | \$3,610        |
| <b>TOTAL (\$1,300 + \$3,610)</b>                 | = | <b>\$4,910</b> |
| <b>All Costs Over \$6,440</b>                    |   |                |
| You Pay 5%                                       |   |                |

\* Your benefits/co-pay amounts may be different from those listed in this chart because of unique agreements associated with health plan mergers into the MPI Health Plan. Please consult the appendix included in your MPIHP *Summary Plan Description* for a complete list of your benefits through the MPIHP.

\*\* You may qualify for "extra help" (the low-income subsidy) from Medicare to pay prescription drug costs. Further information is available at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call the Social Security Administration at 1.800.772.1213.

# “OUT-OF-POCKET” COST COMPARISON

## *Which plan will you Choose?*

### Up Front Costs: Annual Premium and Deductible:

- With Medicare, you pay an estimated average monthly premium of \$30, averaging approximately \$360 annually. You also pay an annual deductible of \$310. The estimated costs to you would be \$670 a year.
- With MPIHP prescription drug coverage, there is no deductible AND no annual premium for either the Active or Retiree prescription drug benefit. The estimated cost to you is \$0.

### Annual Prescription Expenditures to \$2,830:

- **With Medicare**, you pay 25% of prescription costs over your \$310 deductible and up to \$2,830. The total estimated cost to you would be \$630.
- **With the MPIHP Retiree Plan\***, you pay only \$5 - \$30 per prescription, dependant upon whether you choose generic or brand name drugs, for (up to) a 30-day supply. Averaging that out to be 13% of the total costs, you would pay approximately \$368.
- **With the MPIHP Active Plan\***, you pay a \$10 - \$40 co-pay per prescription, dependant upon whether you choose generic or brand name drugs, for (up to) a 30-day supply. Assuming an average of 18% of the total \$2,830 expense, you would pay approximately \$509.

\* Details regarding variations in co-pay amounts for Participants using Medco home delivery services and those associated with benefit plans that have merged into MPIHP, can be found on the flip side of this document.

### Annual Expenditures between \$2,830 - \$6,440:

- **With Medicare**, you pay 100% of all purchases between \$2,830 and \$6,440. That equates to \$3,610 out-of-pocket expense in addition to the \$670 for annual premium and deductible and \$630 co-pay for expenditures between \$310 and \$2,830. Your total expenditure for \$6,440 of medication purchases is \$4,910.
- **With the MPIHP Retiree Plan**, the average total cost to you would be approximately \$469 (13% of \$3,610) added to the \$368 cost for your first \$2,830 of prescription purchases. **Your total expenditure for \$6,440 of medication purchases is \$837.**
- **With the MPIHP Active Plan**, the average total cost to you would be approximately \$650 (18% of \$3,610) added to the \$509 cost for your first \$2,830 of prescription purchases. **Your total expenditure for \$6,440 of medication purchases is \$1,159.**

### Annual Expenditures Over \$6,440:

- **With Medicare**, you pay 5% of the prescription costs over \$6,440.
- **With the MPIHP Retiree Plan**, you still pay the same low co-pays, \$5 - \$30 per prescription (retail).
- **With the MPIHP Active Plan**, you still pay the same low co-pays, \$10 - \$40 per prescription (retail).

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