

EXHIBIT G.

Example of a Part D EOB (all sections included)

The fictional example in this exhibit is designed to illustrate the full document. It includes all sections for the draft revised Model Part D Explanation of Benefits (EOB).

It is for a person in the Initial Coverage payment stage who does not have LIS and does not have Supplemental Drug Coverage. It shows what the EOB might look like for a member who has only a couple of prescriptions filled during the month and does not have any updates to the formulary.



October 8, 2009

To:

{insert member name }

{insert member street address }

{insert member city, state zip code }

{insert member ID numbers and/or other reference }

For languages other than English:

Español 1-800-331-2345 (Spanish)

Русский 1-800-331-5678 (Russian)

tiếng Việt 1-800-331-7777 (Vietnamese)

Do you need large print or another format?

To get this material in other formats, including large type, Braille, and translation into other languages, call Birchwood Member Services at the number shown on this page.

Birchwood Health Corporation
{insert full mailing address }

Your Monthly Prescription Drug Summary For September, 2009

This summary is your “Explanation of Benefits” (EOB) for your Medicare prescription drug coverage (Part D). Please review this summary and keep it for your records. (This is *not* a bill.)

Here are the sections in this summary:

SECTION 1. Your prescriptions during the past month

SECTION 2. Which “drug payment stage” are you in?

SECTION 3. Your “out-of-pocket costs” and “total drug costs” (amounts and definitions)

SECTION 4. Updates to the plan’s Drug List that will affect drugs you take

SECTION 5. If you see mistakes on this summary or have questions, what should you do?

SECTION 6. Important things to know about your drug coverage and your rights

Birchwood Member Services

If you have questions or need help, call us. We are available Monday through Friday from 8 am to 5 pm. Calls to these numbers are free.

1-800-222-3333

1-888-444-5555 for TTY / TDD only

1-800-111-7788 fax

Or visit our website: <http://www.birchwood.com>

SECTION 1. Your prescriptions during the past month

- Chart 1 shows your prescriptions for covered Part D drugs for the past month.
- **Please look over this information about your prescriptions to be sure it is correct.** If you have any questions or think there is a mistake, Section 5 tells what you should do.

CHART 1.

Your prescriptions for covered Part D drugs
September, 2009

	Plan paid	You paid	Other payments (made by programs or organizations; see Section 3)
{insert name of first drug} 30 mg tabs 09/10/09, ABC Pharmacy Rx# 22200374, 30 days supply	\$48.29	\$16.21	\$0.00
{insert name of second drug} 50 mg caps 09/21/09, ABC Pharmacy Rx# 67114291, 30 days supply	\$72.34	\$22.60	\$0.00
TOTALS for the month of September 2009: Your “out-of-pocket costs” amount is \$38.81. (This is the amount you paid this month (\$38.81) plus the amount of “other payments” made this month that count toward your “out-of-pocket costs” (\$0.00). See definitions in Section 3.) Your “total drug costs” amount is \$159.44. (This is the total of all payments made for your drugs this month by the plan (\$120.63) and you (\$38.81) plus “other payments”(\$0.00).)	\$120.63 (total for the month)	\$38.81 (total for the month)	\$0.00 (total for the month)

Year-to-date totals as of 9/30/09	Plan paid	You paid	Other payments (made by programs or organizations; see Section 3)
<p>Your year-to-date amount for “out-of-pocket costs” is \$356.00. (This is the amount you have paid since January 1, 2009 (\$356.00) plus the amount of “other payments” made since January 1, 2009, that count toward your “out-of-pocket costs” (\$0.00). See definitions in Section 3.)</p> <p>Your year-to-date amount for “total drug costs” is \$624.43. (This is the total of all payments made for your drugs since January 1, 2009, by the plan (\$268.43) and you (\$356.00) plus “other payments” (\$0.00).)</p>	<p>\$268.43 (total for 1/1/09 through 9/30/09)</p>	<p>\$356.00 (total for 1/1/09 through 9/30/09)</p>	<p>\$0.00 (total for 1/1/09 through 9/30/09)</p>

SECTION 2. Which “drug payment stage” are you in?

As shown below, your prescription drug coverage has “drug payment stages.” How much you pay for a prescription depends on which payment stage you are in when you fill it. During the calendar year, whether you move from one payment stage to the next depends on how much is spent for your drugs.

STAGE 1

Yearly Deductible

- You began in this payment stage when you filled your first prescription of the year. During this stage, you (or others on your behalf) paid the full cost of your drugs.
- You stayed in this stage until you (or others on your behalf) had paid \$250 for your drugs (\$250 is the amount of your deductible). Then you moved to payment stage 2, Initial Coverage.

STAGE 2

Initial Coverage

- Now that you are in this payment stage, the plan pays its share of the cost of your drugs and you (or others on your behalf) pay your share of the cost.
- You will stay in this payment stage **until the amount of your year-to-date “total drug costs” reaches \$2,700.** As of 9/30/09, your year-to-date “total drug costs” was **\$624.43.** (See definitions in Section 3.)

Once you have **an additional \$2,075.57 in “total drug costs,”** you will move to the next payment stage (stage 3, Coverage Gap).

STAGE 3

Coverage Gap

- Once you are in this payment stage, you (or others on your behalf) will pay the full cost of your drugs.
- Once you are in this payment stage, you will stay in it until the amount of your year-to-date “out-of-pocket costs” (see Section 3) reaches \$4,350. When this happens, you will move to payment stage 4, Catastrophic Coverage.

STAGE 4

Catastrophic Coverage

- Once you are in this payment stage, the plan will pay most of the cost for your covered drugs.
- Once you are in this payment stage, you will stay in it for the rest of the calendar year (through December 31, 2009).

SECTION 3. Your “out-of-pocket costs” and “total drug costs” (amounts and definitions)

We’re including this Section to help you keep track of your “out-of-pocket costs” and “total drug costs” because these costs determine which drug payment stage you are in. And, as explained in Section 2, the payment stage you are in determines how much you pay for your prescriptions.

Your “out-of-pocket costs”

\$38.81 month of September, 2009
\$356.00 year-to-date (since January, 2009)

Your “total drug costs”

\$159.44 month of September, 2009
\$624.43 year-to-date (since January, 2009)

DEFINITION:

“Out of pocket costs” includes:

- What you pay when you fill or refill a prescription for a covered Part D drug. (This includes payments for your drugs, if any, that are made by family or friends.)
- Payments made for your drugs by any of the following programs or organizations: “Extra Help” from Medicare, most charities, and most State Pharmaceutical Assistance Programs (SPAPs).

It does not include:

- Payments made for: a) plan premiums, b) drugs not covered by our plan, c) non-Part D drugs (such as drugs you receive during a hospital stay), d) drugs obtained at a non-network pharmacy that does not meet our out-of-network pharmacy access policy.
- Payments made for your drugs by any of the following programs or organizations: a) employer or union health plans, b) some government-funded programs (including TRICARE, Veteran’s Administration, Indian Health Service), c) AIDS Drug Assistance Programs, d) Worker’s Compensation, and some other programs.

DEFINITION:

“Total drug costs” is the total of all payments made for your covered Part D drugs. It includes:

- What the plan pays.
- What you pay.
- What others (programs or organizations) pay for your drugs. (All of these payments are included in your “total drug costs.”)

Learn more. Medicare has made the rules about which types of payments count and do *not* count toward “out-of-pocket costs” and “total drug costs.” The definitions on this page give you only the main rules. For details, including more about “covered Part D drugs,” see the *Evidence of Coverage*, our benefits booklet (for more about the *Evidence of Coverage*, see Section 6).

SECTION 4. Updates to the plan's Drug List that will affect drugs you take

At this time, there are no upcoming changes to our Drug List that will affect the coverage or cost of drugs you take. (By “drugs you take,” we mean any plan-covered drugs for which you filled prescriptions in 2009 as a member of our plan.)

SECTION 5. If you see mistakes on this summary or have questions, what should you do?

Do you think there's something wrong in your monthly summary?

- Maybe we made a mistake, or someone at the pharmacy made a mistake.
- Maybe you didn't understand something about how the drug plan works.

We want to get it right. If you think something looks wrong, or you have questions, call us at Birchwood Member Services:

- Call 1-800-222-3333 (1-888-444-5555 for TTY / TDD only). We are available Monday through Friday from 8 am to 5 pm. Calls to these numbers are free.
- You can also find answers to many questions at our website: <http://www.birchwood.com>.

What if you think someone is trying to cheat Medicare?

For example, what if this monthly summary shows drugs you're not taking? Or maybe there's something else that makes you wonder if someone might be trying to cheat Medicare.

It might be an honest mistake, or it might not. Although fraud is not common, it does happen.

If you think someone might be trying to cheat Medicare, please tell us:

- Call us at Birchwood Member Services: Call 1-800-222-3333 (1-888-444-5555 for TTY / TDD only). We are available Monday through Friday from 8 am to 5 pm. Calls to these numbers are free.
- Or, call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call these numbers for free, 24 hours a day, 7 days a week.

SECTION 6. Important things to know about your drug coverage and your rights

Your “Evidence of Coverage” has the details about your drug coverage and costs

The *Evidence of Coverage* is your benefits booklet for Birchwood Medicare Plus. It explains your drug coverage and the rules you need to follow when you are using your drug coverage.

We have sent you a copy of the *Evidence of Coverage*. If you need another copy, please call us (phone numbers for Birchwood Member Services are on the cover of this monthly summary).

What if you have problems related to coverage or payments for your drugs?

Your *Evidence of Coverage* has step-by-step instructions that explain what to do if you have problems related to your drug coverage and costs. Here are the chapters to look for:

- Chapter 7. Asking the plan to pay its share of a bill you have received for covered services or drugs

- Chapter 9. What to do if you have a problem or complaint (coverage decisions, appeals, complaints)

Here are things to keep in mind:

- When we decide whether a drug is covered for you and how much you must pay, it's called a "coverage decision." If you disagree with a coverage decision we have made, you can appeal our decision (see Chapter 9 of the *Evidence of Coverage*).
- Medicare has set the rules for how coverage decisions and appeals are handled. These are legal procedures and the deadlines are important. The process can be done if your doctor tells us that your health requires a quick decision.

Please ask for help if you need it. Here's how:

- You can call us at Birchwood Member Services (phone numbers are on the cover of this monthly summary).
- You can call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call these numbers for free, 24 hours a day, 7 days a week.
- You can call your State Health Insurance Assistance Program (SHIP). The name and phone numbers for this organization are in Chapter 2, Section 3 of your *Evidence of Coverage*.

Did you know there are programs to help people pay for their drugs?

- **"Extra Help" from Medicare.** This program is also called the "low-income subsidy" or LIS. People whose yearly income and resources are below certain limits can qualify for this help. See Section 3 of your *Medicare & You 2009* Handbook or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call these numbers for free, 24 hours a day, 7 days a week.

- **Help from your state's pharmaceutical assistance program.** Many states have State Pharmaceutical Assistance Programs (SPAPs) that help some people pay for prescription drugs based on financial need, age, or medical condition. Each state has different rules. Check with your State Health Insurance Assistance Program (SHIP). The name and phone numbers for this organization are in Chapter 2, Section 3 of your *Evidence of Coverage*.