

**Introduction to the Summary of Benefits Report
For Medi-Pak Rx Basic and Premier (PDP)
January 1, 2011 / December 31, 2011
State of Arkansas - Region 19
S5795**

**SECTION I
INTRODUCTION TO SUMMARY OF BENEFITS**

Thank you for your interest in AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP). Our plan is offered by AR Blue Cross - Medi-Pak Rx, a Medicare Prescription Drug Plan that contracts with the Federal government. This Summary of Benefits tells you some features of our plan. It doesn't list every drug we cover, every limitation, or exclusion. To get a complete list of our benefits, please call AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) and ask for the "Evidence of Coverage".

YOU HAVE CHOICES IN YOUR MEDICARE PRESCRIPTION DRUG COVERAGE

As a Medicare beneficiary, you can choose from different Medicare prescription drug coverage options. One option is to get prescription drug coverage through a Medicare Prescription Drug Plan, like AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP). Another option is to get your prescription drug coverage through a Medicare Advantage Plan that offers prescription drug coverage. You make the choice.

HOW CAN I COMPARE MY OPTIONS?

The charts in this booklet list some important drug benefits. You can use this Summary of Benefits to compare the benefits offered by AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) to the benefits offered by other Medicare Prescription Drug Plans or Medicare Advantage Plans with prescription drug coverage.

WHERE IS AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) AVAILABLE?

The service area for this plan includes: Arkansas. You must live in Arkansas to join this plan.

WHO IS ELIGIBLE TO JOIN?

You can join this plan if you are entitled to Medicare Part A and/or enrolled in Medicare Part B and live in the service area.

If you are enrolled in an MA coordinated care (HMO or PPO) plan or an MA PFFS plan that includes Medicare prescription drugs, you may not enroll in a PDP unless you disenroll from the HMO, PPO or MA PFFS plan.

Enrollees in a Private Fee-For-Service plan (PFFS) that does not provide Medicare prescription drug coverage, or an MA Medical Savings Account (MSA) plan may enroll in a PDP. Enrollees in an 1876 Cost plan may enroll in a PDP.

WHERE CAN I GET MY PRESCRIPTIONS?

AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) has formed a network of pharmacies. You must use a network pharmacy to receive plan benefits. We will not pay for your prescriptions if you use an out-of-network pharmacy, except in certain cases.

The pharmacies in our network can change at any time. You can ask for a Pharmacy Directory or visit us at www.arkansasbluecross.com/MedicarePlans. Our customer service number is listed at the end of this introduction.

**Introduction to the Summary of Benefits Report
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S5795**

DOES MY PLAN COVER MEDICARE PART B OR PART D DRUGS?

AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) does not cover drugs that are covered under Medicare Part B as prescribed and dispensed. Generally, we only cover drugs, vaccines, biological products and medical supplies that are covered under the Medicare Prescription Drug Benefit (Part D) and that are on our formulary.

WHAT IS A PRESCRIPTION DRUG FORMULARY?

AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) uses a formulary. A formulary is a list of drugs covered by your plan to meet patient needs. We may periodically add, remove, or make changes to coverage limitations on certain drugs or change how much you pay for a drug. If we make any formulary change that limits our members' ability to fill their prescriptions, we will notify the affected enrollees before the change is made. We will send a formulary to you and you can see our complete formulary on our Web site at www.arkansasbluecross.com/MedicarePlans.

If you are currently taking a drug that is not on our formulary or subject to additional requirements or limits, you may be able to get a temporary supply of the drug. You can contact us to request an exception or switch to an alternative drug listed on our formulary with your physician's help. Call us to see if you can get a temporary supply of the drug or for more details about our drug transition policy.

WHAT SHOULD I DO IF I HAVE OTHER INSURANCE IN ADDITION TO MEDICARE?

If you have a Medigap (Medicare Supplement) policy that includes prescription drug coverage, you must contact your Medigap Issuer to let them know that you have joined a Medicare Prescription Drug Plan. If you decide to keep your current Medigap supplement policy, your Medigap Issuer will remove the prescription drug coverage portion of your policy. Call your Medigap Issuer for details.

If you or your spouse has, or is able to get, employer group coverage, you should talk to your employer to find out how your benefits will be affected if you join AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP). Get this information before you decide to enroll in this plan.

HOW CAN I GET EXTRA HELP WITH MY PRESCRIPTION DRUG PLAN COSTS OR GET EXTRA HELP WITH OTHER MEDICARE COSTS?

You may be able to get extra help to pay for your prescription drug premiums and costs as well as get help with other Medicare costs. To see if you qualify for getting extra help, call:

- * 1-800-MEDICARE (1-800-633-4227). TTY/TDD users should call 1-877-486-2048, 24 hours a day/7 days a week and see www.medicare.gov "Programs for People with Limited Income and Resources" in the publication Medicare & You.
- * The Social Security Administration at 1-800-772-1213 between 7 a.m. and 7 p.m., Monday through Friday. TTY/TDD users should call 1-800-325-0778, or
- * Your State Medicaid Office.

**Introduction to the Summary of Benefits Report
For Medi-Pak Rx Basic and Premier (PDP)
January 1, 2011 / December 31, 2011
State of Arkansas - Region 19
S5795**

WHAT ARE MY PROTECTIONS IN THIS PLAN?

All Medicare Prescription Drug Plans agree to stay in the program for a full year at a time. Each year, the plans decide whether to continue for another year. Even if a Medicare Prescription Drug Plan leaves the program, you will not lose Medicare coverage. If a plan decides not to continue, it must send you a letter at least 90 days before your coverage will end. The letter will explain your options for Medicare coverage in your area.

As a member of AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP), you have the right to request a coverage determination, which includes the right to request an exception, the right to file an appeal if we deny coverage for a prescription drug, and the right to file a grievance. You have the right to request a coverage determination if you want us to cover a Part D drug that you believe should be covered. An exception is a type of coverage determination. You may ask us for an exception if you believe you need a drug that is not on our list of covered drugs or believe you should get a non-preferred drug at a lower out-of-pocket cost. You can also ask for an exception to cost utilization rules, such as a limit on the quantity of a drug. If you think you need an exception, you should contact us before you try to fill your prescription at a pharmacy. Your doctor must provide a statement to support your exception request. If we deny coverage for your prescription drug(s), you have the right to appeal and ask us to review our decision. Finally, you have the right to file a grievance if you have any type of problem with us or one of our network pharmacies that does not involve coverage for a prescription drug. If your problem involves quality of care, you also have the right to file a grievance with the Quality Improvement Organization (QIO) for your state. Please refer to the Evidence of Coverage (EOC) for the QIO contact information.

WHAT IS A MEDICATION THERAPY MANAGEMENT (MTM) PROGRAM?

A Medication Therapy Management (MTM) Program is a free service we offer. You may be invited to participate in a program designed for your specific health and pharmacy needs. You may decide not to participate but it is recommended that you take full advantage of this covered service if you are selected. Contact AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP) for more details.

WHERE CAN I FIND INFORMATION ON PLAN RATINGS?

The Medicare program rates how well plans perform in different categories (for example, detecting and preventing illness, ratings from patients and customer service). If you have access to the web, you may use the web tools on www.medicare.gov and select "Compare Medicare Prescription Drug Plans" or "Compare Health Plans and Medigap Policies in Your Area" to compare the plan ratings for Medicare plans in your area. You can also call us directly to obtain a copy of the plan ratings for this plan. Our customer service number is listed below.

Please call Arkansas Blue Cross - Medi-Pak Rx Basic and Premier (PDP) for more information about AR Blue Cross - Medi-Pak Rx Basic and Premier (PDP).

Introduction to the Summary of Benefits Report
For Medi-Pak Rx Basic and Premier (PDP)
January 1, 2011 / December 31, 2011
State of Arkansas - Region 19
S5795

Visit us at www.arkansasbluecross.com/MedicarePlans or, call us:

Customer Service Hours:

Sunday, Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, 8:00 a.m. - 8:00 p.m. CST

Current members should call toll-free 1-866-390-3369. (TTY/TDD 1-888-844-5530)
Prospective members should call toll-free 1-888-242-5017. (TTY/TDD 1-800-370-5869)
Prospective members should call locally 1-501-378-2937. (TTY/TDD 1-800-370-5869)

For more information about Medicare, please call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can call 24 hours a day, 7 days a week. Or, visit www.medicare.gov on the web.

If you have special needs, this document may be available in other formats.

If you have any questions about this plan's benefits or costs, please contact Arkansas Blue Cross - Medi-Pak Rx Basic and Premier (PDP) for details.

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
Prescription Drugs	Most drugs are not covered under Original Medicare. You can add prescription drug coverage to Original Medicare by joining a Medicare Prescription Drug Plan, or you can get all your Medicare coverage, including prescription drug coverage, by joining a Medicare Advantage Plan or a Medicare Cost Plan that offers prescription drug coverage.		
Drugs covered under Medicare Part D (Prescription Drug Benefit)		<p>General This plan uses a formulary. The plan will send you the formulary. You can also see the formulary at www.arkansasbluecross.com/MedicarePlans on the web.</p> <p>Different out-of-pocket costs may apply for people who</p> <ul style="list-style-type: none"> - have limited incomes, - live in long term care facilities, or - have access to Indian/Tribal/Urban (Indian Health Service). <p>\$31.30 monthly premium.</p> <p>Most people will pay their Part D premium. However, some people will pay a higher premium because of their yearly income (over \$85,000</p>	<p>General This plan uses a formulary. The plan will send you the formulary. You can also see the formulary at www.arkansasbluecross.com/MedicarePlans on the web.</p> <p>Different out-of-pocket costs may apply for people who</p> <ul style="list-style-type: none"> - have limited incomes, - live in long term care facilities, or - have access to Indian/Tribal/Urban (Indian Health Service). <p>\$83.50 monthly premium.</p> <p>Most people will pay their Part D premium. However, some people will pay a higher premium because of their yearly income (over \$85,000</p>

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
		<p>for singles, \$170,000 for married couples). For more information about Part D premiums based on income, call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You may also call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.</p> <p>The plan offers national in-network prescription coverage (i.e., this would include 50 states and DC). This means that you will pay the same cost-sharing amount for your prescription drugs if you get them at an in-network pharmacy outside of the plan's service area (for instance when you travel).</p> <p>Total yearly drug costs are the total drug costs paid by both you and the plan.</p> <p>Some drugs have quantity limits.</p> <p>Your provider must get prior authorization from AR Blue Cross - Medi-Pak Rx Basic (PDP) for certain drugs.</p> <p>You must go to certain pharmacies for a very limited number of drugs, due to special handling, provider</p>	<p>for singles, \$170,000 for married couples). For more information about Part D premiums based on income, call Medicare at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You may also call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.</p> <p>The plan offers national in-network prescription coverage (i.e., this would include 50 states and DC). This means that you will pay the same cost-sharing amount for your prescription drugs if you get them at an in-network pharmacy outside of the plan's service area (for instance when you travel).</p> <p>Total yearly drug costs are the total drug costs paid by both you and the plan.</p> <p>Some drugs have quantity limits.</p> <p>Your provider must get prior authorization from AR Blue Cross - Medi-Pak Rx Premier (PDP) for certain drugs.</p> <p>You must go to certain pharmacies for a very limited number of drugs, due to special handling, provider</p>

**Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)**

January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
		<p>coordination, or patient education requirements that cannot be met by most pharmacies in your network. These drugs are listed on the plan's website, formulary, printed materials, as well as on the Medicare Prescription Drug Plan Finder on Medicare.gov.</p> <p>If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.</p> <p>If you request a formulary exception for a drug and AR Blue Cross - Medi-Pak Rx Basic (PDP) approves the exception, you will pay Tier 3: Non-Preferred Brand Drugs cost sharing for that drug.</p>	<p>coordination, or patient education requirements that cannot be met by most pharmacies in your network. These drugs are listed on the plan's website, formulary, printed materials, as well as on the Medicare Prescription Drug Plan Finder on Medicare.gov.</p> <p>If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.</p> <p>If you request a formulary exception for a drug and AR Blue Cross - Medi-Pak Rx Premier (PDP) approves the exception, you will pay Tier 3: Non-Preferred Brand Drugs cost sharing for that drug.</p>
IN-NETWORK			
Deductible		\$250 yearly deductible	\$0 yearly deductible
Initial Coverage		You pay the following until total yearly drug costs reach \$2,840:	You pay the following until total yearly drug costs reach \$2,840:
Retail Pharmacy		<p><u>Tier 1: Generic Drugs</u></p> <ul style="list-style-type: none"> - \$6 copay for a one-month (34-day) supply of drugs in this tier - \$15 copay for a three-month (90-day) supply of drugs in this tier <p><u>Tier 2: Preferred Brand Drugs</u></p> <ul style="list-style-type: none"> - \$39 copay for a one-month (34-day) supply of drugs in this tier 	<p><u>Tier 1: Generic Drugs</u></p> <ul style="list-style-type: none"> - \$6 copay for a one-month (34-day) supply of drugs in this tier - \$15 copay for a three-month (90-day) supply of drugs in this tier <p><u>Tier 2: Preferred Brand Drugs</u></p> <ul style="list-style-type: none"> - \$39 copay for a one-month (34-day) supply of drugs in this tier

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
		<ul style="list-style-type: none"> - \$97.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier - \$172.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier - 25% coinsurance for a three-month (90-day) supply of drugs in this tier 	<ul style="list-style-type: none"> - \$97.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier - \$172.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier - 25% coinsurance for a three-month (90-day) supply of drugs in this tier
Long Term Care Pharmacy		<ul style="list-style-type: none"> <u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier <u>Tier 2: Preferred Brand Drugs</u> - \$39 copay for a one-month (34-day) supply of drugs in this tier <u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier <u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier 	<ul style="list-style-type: none"> <u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier <u>Tier 2: Preferred Brand Drugs</u> - \$39 copay for a one-month (34-day) supply of drugs in this tier <u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier <u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier
Mail Order		<ul style="list-style-type: none"> <u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier - \$15 copay for a three-month (90-day) supply of drugs in 	<ul style="list-style-type: none"> <u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier - \$15 copay for a three-month (90-day) supply of drugs in

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
		this tier <u>Tier 2: Preferred Brand Drugs</u> - \$39 copay for a one-month (34-day) supply of drugs in this tier - \$97.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier - \$172.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier - 25% coinsurance for a three-month (90-day) supply of drugs in this tier	this tier <u>Tier 2: Preferred Brand Drugs</u> - \$39 copay for a one-month (34-day) supply of drugs in this tier - \$97.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier - \$172.50 copay for a three-month (90-day) supply of drugs in this tier <u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier - 25% coinsurance for a three-month (90-day) supply of drugs in this tier
Coverage Gap		After your total yearly drug costs reach \$2,840, you pay 93% for all generic drugs and 100% for all brand drugs, until your yearly out-of-pocket drug costs reach \$4,550.	You pay the following: Retail Pharmacy <u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier - \$15 copay for a three-month (90-day) supply of drugs in this tier Long Term Care Pharmacy <u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier Mail Order

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
			<p><u>Tier 1: Generic Drugs</u></p> <ul style="list-style-type: none"> - \$6 copay for a one-month (34-day) supply of drugs in this tier - \$15 copay for a three-month (90-day) supply of drugs in this tier <p>For all other covered drugs, after your total yearly drug costs reach \$2,840, you pay 93% for all generic drugs and 100% for all brand drugs, until your yearly out-of-pocket drug costs reach \$4,550.</p>
Catastrophic Coverage		<p>After your yearly out-of-pocket drug costs reach \$4,550, you pay the greater of:</p> <ul style="list-style-type: none"> - A \$2.50 copay for generic (including brand drugs treated as generic) and a \$6.30 copay for all other drugs, or - 5% coinsurance. 	<p>After your yearly out-of-pocket drug costs reach \$4,550, you pay the greater of:</p> <ul style="list-style-type: none"> - A \$2.50 copay for generic (including brand drugs treated as generic) and a \$6.30 copay for all other drugs, or - 5% coinsurance.
OUT-OF-NETWORK			
General Information		<p>Plan drugs may be covered in special circumstances, for instance, illness while traveling outside of the plan's service area where there is no network pharmacy. You may have to pay more than your normal cost-sharing amount if you get your drugs at an out-of-network pharmacy. In addition, you will likely have to pay the pharmacy's full charge for the drug and submit documentation to receive reimbursement from AR Blue Cross - Medi-Pak Rx Basic (PDP).</p>	<p>Plan drugs may be covered in special circumstances, for instance, illness while traveling outside of the plan's service area where there is no network pharmacy. You may have to pay more than your normal cost-sharing amount if you get your drugs at an out-of-network pharmacy. In addition, you will likely have to pay the pharmacy's full charge for the drug and submit documentation to receive reimbursement from AR Blue Cross - Medi-Pak Rx Premier (PDP).</p>

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
Initial Coverage		<p>You will be reimbursed up to the full cost of the drug minus the following for drugs purchased out-of-network until total yearly drug costs reach \$2,840:</p> <p><u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier</p> <p><u>Tier 2: Preferred Brand Drugs</u> - \$39 copay for a one-month (34-day) supply of drugs in this tier</p> <p><u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier</p> <p><u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier</p>	<p>You will be reimbursed up to the full cost of the drug minus the following for drugs purchased out-of-network until total yearly drug costs reach \$2,840:</p> <p><u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of drugs in this tier</p> <p><u>Tier 2: Preferred Brand Drugs</u> - \$39 copay for a one-month (34-day) supply of drugs in this tier</p> <p><u>Tier 3: Non-Preferred Brand Drugs</u> - \$69 copay for a one-month (34-day) supply of drugs in this tier</p> <p><u>Tier 4: Specialty Tier Drugs</u> - 25% coinsurance for a one-month (34-day) supply of drugs in this tier</p>
Coverage Gap		<p>You will be reimbursed up to 7% of the plan allowable cost for generic drugs purchased out-of-network until total yearly drug costs reach \$4,550.</p> <p>After your total yearly drug costs reach \$2,840, you pay 100% of the pharmacy's full charge for brand drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,550. You will not be reimbursed by AR Blue Cross - Medi-Pak Rx Basic (PDP) for out-of-network purchases when you are in the coverage gap.</p>	<p>You will be reimbursed for these drugs purchased out-of-network up to the full cost of the drug minus the following:</p> <p><u>Tier 1: Generic Drugs</u> - \$6 copay for a one-month (34-day) supply of all drugs covered in this tier</p> <p><u>Tier 2: Preferred Brand Drugs</u> - You will be reimbursed up to 7% of the plan allowable cost for generic drugs purchased out-of-network until total yearly drug costs reach \$4,550.</p>

Summary of Benefits Report / Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
		<p>However, you should still submit documentation to AR Blue Cross - Medi-Pak Rx Basic (PDP) so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.</p>	<p>- After your total yearly drug costs reach \$2,840, you pay 100% of the pharmacy's full charge for brand drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,550.</p> <p>You will not be reimbursed by AR Blue Cross - Medi-Pak Rx Premier (PDP) for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to AR Blue Cross - Medi-Pak Rx Premier (PDP) so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.</p> <p><u>Tier 3: Non-Preferred Brand Drugs</u></p> <p>- You will be reimbursed up to 7% of the plan allowable cost for generic drugs purchased out-of-network until total yearly drug costs reach \$4,550.</p> <p>- After your total yearly drug costs reach \$2,840, you pay 100% of the pharmacy's full charge for brand drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,550.</p> <p>You will not be reimbursed by</p>

Summary of Benefits Report - Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
			<p>AR Blue Cross - Medi-Pak Rx Premier (PDP) for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to AR Blue Cross - Medi-Pak Rx Premier (PDP) so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.</p> <p><u>Tier 4: Specialty Tier Drugs</u></p> <ul style="list-style-type: none"> - You will be reimbursed up to 7% of the plan allowable cost for generic drugs purchased out-of-network until total yearly drug costs reach \$4,550. - After your total yearly drug costs reach \$2,840, you pay 100% of the pharmacy's full charge for brand drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,550. <p>You will not be reimbursed by AR Blue Cross - Medi-Pak Rx Premier (PDP) for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to AR Blue Cross - Medi-Pak Rx Premier (PDP) so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.</p>
Catastrophic		After your yearly out-of-pocket	After your yearly out-of-pocket

Summary of Benefits Report - Section 2
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
 January 1, 2011 - December 31, 2011

Benefit Category	Original Medicare	Medi-Pak Rx Basic (PDP)	Medi-Pak Rx Premier (PDP)
Coverage		drug costs reach \$4,550, you will be reimbursed for drugs purchased out-of-network up to the full cost of the drug minus your cost share, which is the greater of: - A \$2.50 copay for generic (including brand drugs treated as generic) and a \$6.30 copay for all other drugs, or - 5% coinsurance.	drug costs reach \$4,550, you will be reimbursed for drugs purchased out-of-network up to the full cost of the drug minus your cost share, which is the greater of: - A \$2.50 copay for generic (including brand drugs treated as generic) and a \$6.30 copay for all other drugs, or - 5% coinsurance.

**Summary of Benefits Report - Section 3
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)**

January 1, 2011 - December 31, 2011

Important Plan Information

This Summary of Benefits is an important brochure for explaining coverage options; therefore, the content of Sections 1 and 2 is regulated by the Centers for Medicare & Medicaid Services (CMS). Section 3 was developed to help provide more insight and information on the descriptions in the tables in Section 2. Please be sure to read the tables in Section 2 carefully to understand your coverage options.

Premium Information

You'll pay the following premium each month:

Medi-Pak Rx Basic: \$31.30

Medi-Pak Rx Premier: \$83.50

Most people will pay the premiums listed above. If you qualify for extra help with your Medicare prescription drug plan costs, your premium will be lower. Some people will pay a higher premium because of their yearly income (over \$85,000 for singles, \$170,000 for married couples).

In the event of death, paid premiums for any period beyond the end of the month in which death occurs will be refunded. There are no partial-month premium refunds.

Initial Coverage

You'll pay the annual deductible (if applicable) and prescription drug copays/coinsurance, as follows, for a 34-day supply:

	Basic	Premier
Deductible	\$250	\$0
Copay for generic drugs	\$6 copay	\$6 copay
Copay for preferred brand drugs	\$39 copay	\$39 copay
Copay for non-preferred brand drugs	\$69 copay	\$69 copay
Coinsurance for specialty drugs	25% coinsurance	25% coinsurance

Copays and coinsurance listed above are applicable until your total annual drug costs (the amount you and your plan pays) reach \$2,840.

**Summary of Benefits Report – Section 3
for AR BLUE CROSS – Medi-Pak Rx Basic and Premier (PDP)**

January 1, 2011 - December 31, 2011

Coverage Gap

You'll pay prescription drug copays/coinsurance, as follows, for a 34-day supply after your total annual drug costs (the amount you and your plan pays) reach \$2,840.

	Basic	Premier
Copay for generic drugs	93%	\$6 copay
Copay for preferred brand drugs	100%	100%
Copay for non-preferred brand drugs	100%	100%
Coinsurance for specialty drugs	100%	100%

Copays and coinsurance listed above are applicable after your total annual drug costs (the amount you and your plan pays) reach \$2,840 and until your true out-of-pocket (TrOOP) costs reach \$4,550.

Medicare Coverage Gap Discount Program

Beginning in 2011, the Medicare Coverage Gap Discount Program will provide manufacturer discounts on brand name drugs to Part D enrollees who have reached the coverage gap and are not already receiving "Extra Help." A 50% discount on the negotiated price (excluding the dispensing fee) will be available for those brand name drugs from manufacturers that have agreed to pay the discount.

We will automatically apply the discount when your pharmacy bills you for your prescription and your Explanation of Benefits will show any discount provided. The amount discounted by the manufacturer and the amount you pay both count toward your true out-of-pockets (TrOOP) costs and moves you through the coverage gap.

Catastrophic Coverage

You'll pay prescription drug copays/coinsurance, as follows, for a 34-day supply after your true out-of-pocket costs reach \$4,550.

	Basic	Premier
Copay for generic drugs	\$2.50 copay or 5%, whichever is greater	\$2.50 copay or 5%, whichever is greater
Copay for preferred brand drugs	\$6.30 copay or 5%, whichever is higher	\$6.30 copay or 5%, whichever is higher
Copay for non-preferred brand drugs	\$6.30 copay or 5%, whichever is higher	\$6.30 copay or 5%, whichever is higher
Coinsurance for specialty drugs	\$6.30 copay or 5%, whichever is higher	\$6.30 copay or 5%, whichever is higher

Summary of Benefits Report - Section 3
for AR BLUE CROSS - Medi-Pak Rx Basic and Premier (PDP)
January 1, 2011 - December 31, 2011

Extra Help

If you qualify for extra help with your Medicare prescription drug plan costs, your cost sharing amounts will be lower.

Out-Of-Network

Medi-Pak Rx Basic and Premier (PDP) offers national in-network prescription coverage. If you are traveling out-of-state and need to find a pharmacy in the area, you can contact our Customer Service representatives or visit our web-site to get a listing of in-network out-of-state pharmacies.

If you do have an emergency situation and need to use an out-of-network pharmacy, you will likely have to pay the pharmacy's full charge for the drug when you fill your prescription. You may submit documentation to Medi-Pak Rx Basic and Premier (PDP) to receive reimbursement from us for any amounts over your cost sharing responsibilities.

You will not be reimbursed by Medi-Pak Rx Basic and Premier (PDP) for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to Medi-Pak Rx Basic and Premier (PDP) so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.