



2012 Summary of Benefits

University of California

Health Net Prescription Drug Plan (Employer PDP)

Benefits Effective January 1, 2012

PDP Plan PWZ

Commercial Wrap Pharmacy Plan CW9

The Original Medicare summary is required by the Centers for Medicare & Medicaid Services (CMS) but does not apply to University of California members. UC's Prescription Drug Plan members' benefits are described in the column entitled Health Net Prescription Drug Plan (Employer PDP).

Introduction to Summary of Benefits

Thank you for your interest in Health Net Prescription Drug Plan (Employer PDP). Our plans are offered by Health Net Life Insurance Company, a Medicare Prescription Drug Plan that contracts with the Federal government. This Summary of Benefits tells you some features of our plans. It doesn't list every drug we cover, every limitation, or exclusion. To get a complete list of our benefits, please call Health Net Prescription Drug Plan (Employer 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 Health Net Prescription Drug Plan (Employer 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 Health Net Prescription Drug Plan (Employer PDP) to the benefits offered by other Medicare Prescription Drug Plans or Medicare Advantage Plans with prescription drug coverage.

WHO IS ELIGIBLE TO JOIN?

You can join Health Net Prescription Drug Plan (Employer PDP) as long as you live in the United States, either work or live in the service area and meet any additional eligibility requirements of the Group:

- The principal member who is entitled to Medicare Part A and enrolled in Medicare Part B;
- Spouse – The term "spouse" may also include the member's domestic partner as defined, as required by the law in your State.

If you are enrolled in a Medicare Advantage plan (like HMO or PPO), or a Medicare Advantage 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?

Health Net Prescription Drug Plan (Employer 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.healthnet.com/uc. Our customer service number is listed at the end of this introduction.

UC WALK-UP PHARMACY SERVICE THROUGH UC MEDICAL CENTER PHARMACIES

Health Net and the UC Medical Center Pharmacies have partnered to offer UC members with the ability to fill up to a 90-day prescription for maintenance medications at any of the UC designated Medical Center Pharmacies. Just like Health Net's mail-order services, you can obtain up to a 90-day supply at UC-designated Medical Center Pharmacies for the same cost-sharing that you would pay for a 90-day supply from a preferred mail-order pharmacy.

Participating UC Medical Center Pharmacies

- UC Davis Medical Center Pharmacy and Medical Partners of Davis Pharmacy
- UCI Medical Center Specialty Pharmacy and UCI Family Health Center Pharmacy
- UCLA Pharmacy – Medical Plaza and Outpatient Pharmacy
- UCSD Medical Center Pharmacy and UCSD Medical Group Pharmacy
- UCSD Ambulatory Care Clinic, UCSD Moores Cancer Center, and Edith & William Perlman Ambulatory Care Pharmacies

For complete information, call Health Net Prescription Drug Plan (Employer PDP) at **1-800-539-4072** (or **1-800-929-9955** TDD/TTY for the hearing impaired). Business hours are Monday through Friday, 8:00 a.m. to 8:00 p.m., 7 days a week.

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

Health Net Prescription Drug Plan (Employer 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?

Health Net Prescription Drug Plan (Employer 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.healthnet.com/uc.

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 from 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 Health Net Prescription Drug Plan (Employer PDP). Get this information before you decide to enroll in these plans.

WHAT ARE MY COSTS FOR COVERED DRUGS?

Your prescription drug coverage under this Health Net Prescription Drug Plan (Employer PDP) plan coordinates benefits with your Commercial Pharmacy Wrap Plan. This means that your costs for covered drugs on our formulary are much less than if you were covered under this plan alone. For specific information about your final cost-share for covered drugs, refer to the "Commercial Pharmacy Wrap Plan" section at the end of this Summary of Benefits.

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

You may be able to get extra help to pay for your Part D 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.

WHAT ARE MY PROTECTIONS IN THESE PLANS?

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 these plans decide not to continue, they 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 Health Net Prescription Drug Plan (Employer 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 Health Net Prescription Drug Plan (Employer 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 Drug and Health Plans” or “Compare 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 these plans. Our customer service number is listed below.

The benefit information provided herein is a brief summary, not a comprehensive description of benefits. For more information contact the plan. Benefits and/or co-payments/co-insurance may change each plan year.

Please call Health Net for more information about Health Net Prescription Drug Plan (Employer PDP). Visit us at www.healthnet.com/uc or, call us:

Customer Service Hours:

Sunday, Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, 8:00 a.m.–8:00 p.m., Pacific Time

Current members should call toll-free/locally 1-800-539-4072 (TTY/TDD (800) 929-9955)

Prospective members should call toll-free/locally 1-800-539-4072 (TTY/TDD (800) 929-9955)

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.

This document may be available in a different format such as large print or other alternate formats. For additional information, call customer service at the phone number listed above.

Summary of Benefits

If you have any questions about this plan's benefits or costs, please contact Health Net for details.

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
<p>Outpatient Prescription Drugs</p>	<p>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.</p>	<p>Drugs covered under Medicare Part D</p> <p>General This plan uses a formulary. The plan will send you the formulary. You can also see the formulary at www.healthnet.com/uc 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 • Have access to Indian/Tribal/Urban (Indian Health Service) providers. <p>Please contact your Group for more information about the premium payment for this Plan.</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 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 the District of</p>

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
<p>Outpatient Prescription Drugs (continued)</p>		<p>Columbia). 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 a Part D plan. The plan may require you to first try one drug to treat your condition before it will cover another drug for that condition. Your provider must get prior authorization from Health Net Prescription Drug Plan (Employer PDP) for certain drugs. You must go to certain pharmacies for a very limited number of drugs, due to special handling, provider 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. 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 Health Net Prescription Drug Plan (Employer PDP) approves the exception, you will pay Tier 3: Non-Preferred Brand Drugs cost sharing for that drug.</p> <p><i>***Please note that the prescription drug coverage under this Health Net Prescription Drug Plan (Employer PDP) coordinates benefits with your</i></p>

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
Outpatient Prescription Drugs (continued)		<p><i>Commercial Pharmacy Wrap plan. Refer to the “Commercial Pharmacy Wrap Plan” section at this end of this Summary of Benefits for your final costs for covered drugs.***</i></p> <p><u>Deductible</u> \$320 annual deductible.</p> <p><u>Initial Coverage</u> After you pay your yearly deductible, you pay the following until your total yearly Part D drug costs reach \$2,930.</p> <p><u>Retail Pharmacy</u></p> <p>Tier 1: Preferred Generic Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier <p>Tier 2: Preferred Brand Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier <p>Tier 3: Non-Preferred Brand Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier <p>Tier 4: Injectable Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
<p>Outpatient Prescription Drugs (continued)</p>		<p>Not all drugs on this tier are available at this extended day supply. Please contact the plan for more information.</p> <p>Tier 5: Specialty Tier Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier <p>Not all drugs on this tier are available at this extended day supply. Please contact the plan for more information.</p> <p><u>Long Term Care Pharmacy</u></p> <p>Tier 1: Preferred Generic Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (34-day) supply of drugs in this tier <p>Tier 2: Preferred Brand Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (34-day) supply of drugs in this tier <p>Tier 3: Non-Preferred Brand Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (34-day) supply of drugs in this tier <p>Tier 4: Injectable Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (34-day) supply of drugs in this tier <p>Tier 5: Specialty Tier Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (34-day) supply of drugs in this tier

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
Outpatient Prescription Drugs (continued)		<p><u>Mail Order</u></p> <p>Tier 1: Preferred Generic Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a non-preferred mail order pharmacy • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a non-preferred mail order pharmacy <p>Tier 2: Preferred Brand Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a non-preferred mail order pharmacy • 25% Coinsurance for a three-

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
<p>Outpatient Prescription Drugs (continued)</p>		<p>month (90-day) supply of drugs in this tier from a non-preferred mail order pharmacy</p> <p>Tier 3: Non-Preferred Brand Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a non-preferred mail order pharmacy • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a non-preferred mail order pharmacy <p>Tier 4: Injectable Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance for a one-month (30-day) supply of drugs in this tier from a non-preferred mail order pharmacy

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
<p>Outpatient Prescription Drugs (continued)</p>		<ul style="list-style-type: none"> • 25% Coinsurance for a three-month (90-day) supply of drugs in this tier from a non-preferred mail order pharmacy <p>Not all drugs on this tier are available at this extended day supply. Please contact the plan for more information.</p> <p>Tier 5: Specialty Tier Drugs</p> <ul style="list-style-type: none"> • 25% Coinsurance copay for a one-month (30-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance copay for a three-month (90-day) supply of drugs in this tier from a preferred mail order pharmacy or through the UC Walk-Up Service • 25% Coinsurance copay for a one-month (30-day) supply of drugs in this tier from a non-preferred mail order pharmacy • 25% Coinsurance copay for a three-month (90-day) supply of drugs in this tier from a non-preferred mail order pharmacy <p>Not all drugs on this tier are available at this extended day supply. Please contact the plan for more information.</p> <p><u>Coverage Gap</u> After your total yearly drug costs reach \$2,930, you receive a discount on brand name drugs and pay 86% of the plan's costs for all generic drugs until your yearly out-of-pocket drug costs reach \$4,700. Once your yearly out-of-pocket payments for Part D drugs reach \$4,700, you move on to</p>

BENEFITS	ORIGINAL MEDICARE	HEALTH NET PRESCRIPTION DRUG PLAN (EMPLOYER PDP)
<p>Outpatient Prescription Drugs (continued)</p>		<p>the Catastrophic Coverage Stage.</p> <p><u>Catastrophic Coverage</u> After your yearly out-of-pocket drug costs reach \$4,700, you pay the greater of:</p> <ul style="list-style-type: none"> • 5% coinsurance, or • \$2.60 copayment for generic (including brand drugs treated as generic) and \$6.50 copayment for all other drugs <p><u>Out-of-Network</u> 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 Prescription Drug Plan (Employer PDP).</p>

COMMERCIAL PHARMACY WRAP PLAN

The Commercial Pharmacy Wrap Plan is underwritten by Health Net Life Insurance Company. Please refer to the Commercial Pharmacy Wrap Plan Certificate of Insurance for more details about this plan's coverage and limitations.

The benefits of the Commercial Pharmacy Wrap Plan are subject to coordination with benefits payable under your Health Net Prescription Drug Plan (Employer PDP) prescription drug coverage. The amount we pay for Part D drugs under this plan *does not* count toward your Medicare Part D initial coverage limit or true out of pocket (TrOOP) costs. However, the amount you pay for Part D drugs under this plan *does* count and will help you move through the different stages of Medicare Part D coverage to qualify for catastrophic coverage for Part D Drugs.

Please note that we cover some prescription drugs that are not normally covered in a Medicare Prescription Drug Plan. The amount you pay for these drugs does not count towards Your Medicare Part D initial coverage limit or true out of pocket (TrOOP) costs.

Plan Specific Out-of-Pocket Maximum

Once your copayment and coinsurance payments total the amount shown below in a calendar year, you will not pay any more copayment/coinsurance for covered drugs for the rest of the calendar year. All expenses that count toward the out-of-pocket maximum will be automatically calculated by us.

Calendar Year Out-of-Pocket Maximum _____ \$2,000

Copayments and Coinsurance

Covered Prescription Drugs	Retail Pharmacy (up to a 30-day supply)	Retail Pharmacy (up to a 90-day supply)	Mail-Order Pharmacy (up to a 90-day supply)	UC Walk-Up Service (up to a 90-day supply)
Tier 1 (Preferred Generic Drugs)	\$5	\$15	\$10	\$10
Tier 2 (Preferred Brand Drugs)	\$20	\$60	\$40	\$40
Tier 3 (Non-Preferred Brand Drugs)	\$35	\$105	\$70	\$70
Tier 4 (Injectable Drugs)	25%	25%	25%	25%
Tier 5 (Specialty Drugs)	25%	25%	25%	25%

Notes:

- This plan covers drugs that are payable under the prescription drug benefit of your Health Net Prescription Drug Plan (Employer PDP) plan.
- Some covered drugs may require prior authorization to be covered.
- When there is a generic version of a brand name drug available, our network pharmacies will usually dispense the generic version. The brand name drug will usually be available for your Tier 3 copayment.
- If a drug that is not on our formulary is payable under your Health Net Prescription Drug Plan (Employer PDP) prescription drug benefit, such drug is also covered under this plan subject to the Tier 3 copayment.
- Prescription Drugs for the treatment of diabetes (including insulin) are covered as stated in the Formulary.
- Some retail network pharmacies may provide up to a 90-day supply of maintenance drugs for a copayment per 30-day supply. Please check with your retail pharmacy to see if this service is available to you.
- Up to a 90-day prescription for maintenance medications can be obtained at any of the UC designated Medical Center Pharmacies

For more information please contact:

Health Net Prescription Drug Plan (Employer PDP)
Post Office Box 6501
Rensselaer, NY. 12144-6501

Member Services

Business hours are 8:00 a.m. to 8:00 p.m., Pacific Time, 7 days a week.
1-800-539-4072

**Telecommunications Device
for the Hearing Impaired (TTY/TDD)**
1-800-929-9955

www.healthnet.com/uc