



Intel Catastrophic Rx HRA - IRMP

February 2020

What is Intel Catastrophic Rx?

Retirees and your eligible dependents enrolled in a Medicare Part D Plan can take advantage of Intel's Catastrophic Rx HRA.

The Catastrophic Rx HRA will reimburse you for the 5% coinsurance you pay **after** you have met your annual true out-of-pocket maximum.

Retirees **do not need to enroll** or elect this benefit, but you (or your eligible dependent for whom you are seeking reimbursement) must be enrolled in a Medicare Part D Plan.

To take advantage of this benefit, you simply need to call the Intel Health Benefit Center at 877-GoMyBen (466-9236) and select the "Your Spending Account" option to notify the team *you have exceeded the Medicare Part D Donut Hole*. Your Spending Account representative will walk you through what you need to do to submit claims for reimbursement.

IMPORTANT: All eligible dependents including domestic partners must be listed as your dependent on the My Health Benefits website in order for Catastrophic Rx reimbursement to be processed for their eligible expenses.

2020 Medicare Part D Standard Benefit

1. Deductible \$435
2. Initial Coverage Limit of \$4,020/ You pay 25% coinsurance
3. Donut hole/Coverage gap – you pay 25%
4. True Out of Pocket \$6,350
5. **Catastrophic Coverage you pay 5% coinsurance**

For total drug costs above the catastrophic threshold, Medicare pays 80%, plans pay 15%, and enrollees pay either 5% of total drug costs or \$3.60/\$8.95 for each generic and brand-name drug, respectively.

An example of the CMS model or standard plan

Standard Medicare Part D

1) Annual deductible: You pay 100% of the cost up to the plan deductible amount.

- Not all Part D plans have a deductible.
- If your plan does not have a deductible, your coverage starts with the first prescription you fill.

2. Initial coverage: You pay copays or coinsurance up to a set limit

- You stay in this stage until your total prescription drug costs (what you pay and what your plan pays) reach \$4,020 in 2020.

3. Coverage gap (the donut hole): You pay 25% of the costs.

- For generic & brand drugs you pay 25% of the costs.
- You pay a percentage of the cost in this stage until you reach an out-of-pocket limit \$6,350 in 2020.

4. Catastrophic coverage: You pay a small coinsurance or copay amount.

- You are in this stage for the rest of the Part D plan year.

Example

For example, let us assume that your total yearly prescription drug expenses are \$7,080.

1. Annual Deductible and Initial Coverage Limit

You will pay the first **\$435** yourself (as the Medicare Part D Plan deductible). **After your deductible**, you will pay 25% co-insurance towards all your prescription drug costs up to the initial coverage limit of \$4,020.

- Therefore, you will pay 25% of the difference between the deductible (\$435) and the total of the initial coverage period ($\$4,020 - 435$)*.25 = **\$896.25**.

3. Coverage Gap (Donut Hole)

Once you reach the coverage gap, you'll pay no more than 25% of the cost for your plan's covered prescription drugs.

(annual OOP) $6,350 - 4,020$ (initial coverage limit) = $2,330 * .25$ (coinsurance) = **\$582.50** (your costs)

4. Catastrophic Coverage

Once you've spent \$6,350 out-of-pocket in 2020, you're out of the coverage gap. Once you get out of the coverage gap (Medicare prescription drug coverage), you automatically get "catastrophic coverage." It assures you only pay a small [Coinsurance](#) amount or [Copayment](#) for covered drugs for the rest of the year.

Difference between CatRx and IRMP w/RX

- **Formulary (list of covered drugs)**

- IRMP formulary is very rich. Same formulary as an active employee
- Medicare part D plans have limited formularies

- **Cost**

- IRMP w/Rx provides dollar one coverage (retirees don't have to meet the deductible prior to getting RX coverage)
- IRMP w/Rx is a set cost of copay (see below for 2020)

2020 Prescription Benefits – IRMP Cigna Indemnity with Rx ONLY			
	Retail Pharmacy (Up to 34-day supply)	Costco/Walgreens/Mail (90-day supply)	Retail Penalty ⁵ (Up to 34-day supply)
Generic	\$10	\$20	\$20 ⁶
Preferred Brand	\$20	\$40	\$40 ⁶
Non-Preferred Brand	\$30	\$60	\$60 ⁶

- IRMP w/Rx monthly premium is high \$500/month
- Medicare Part D plans can be purchased for \$0 to moderately priced monthly premium
- You cannot use your Intel CatRx benefit until after you have exceeded the Medicare Part D Donut Hole \$6,350.

How Do I Activate the CatRx Account?

- Before submitting any claims, an account must first be activated for you. The activation form is available on the YSA website or by calling YSA.
- You will need to complete the form and provide an explanation of benefits (EOB) showing that you have reached the catastrophic coverage phase.
- After confirming you've reached the catastrophic coverage stage of your Medicare Part D plan, your account will be activated for you.
- You can then submit claims for your out-of-pocket prescription costs incurred from the date you met the catastrophic coverage stage through the end of the year.
- Claims incurred during your eligibility period must be submitted to YSA by March 31st of the following year. Instructions for filing claims can be found in the Knowledge Center portion of the YSA website.
- *NOTE: Because your Medicare limits reset each year, you will need to submit a new activation form annually after you've reached the Medicare Part D.*

How Do I Receive CatRx Reimbursement?

- After your account is activated, eligible prescription expenses can be submitted online via the YSA website. Additionally, a paper claim form is available for download on the YSA website or may be obtained by calling YSA or Aon Retiree Health Exchange.
- With each claim form, you'll need to provide an itemized receipt that shows the following:
 - Service provider's name;
 - Date of service;
 - Description of service;
 - Who the service is for; and
 - The out-of-pocket amount year are claiming for reimbursement
- As with other claims, EOBs from your insurance carrier are also acceptable forms of supporting documentation for out-of-pocket expenses.
- *Note: the Catastrophic Prescription Drug Benefit can only be used to reimburse prescription expenses for the person that reaches the catastrophic coverage stage of their prescription plan. It cannot be used to reimburse expenses for other dependents.*

Resources

Intel Health Benefits Center

For answers to your questions about:

- Annual Enrollment
- IRMP medical and vision
- SERMA
- Catastrophic Rx HRA
- Aon Retiree Health Exchange

Online resources available at

www.intel.com/go/myben

or via phone at 877-GoMyBen (466-9236)

IRMP Medical Coverage

- Call 800-468-3510 or visit Cigna online at www.mycigna.com.

Prescription Drug Coverage

- Call Express Scripts at 800-899-2713 or visit Express Scripts online at www.express-scripts.com/intel.

Medicare

- Call 800-633-4227 or visit Medicare online at www.medicare.gov.

Health Insurance Marketplace

- Call Aon Retiree Health Exchange at 877-GoMyBen (466-9236); <https://www.healthcare.gov> and <http://kff.org/health-reform/>.

