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## Non-Renewal of Private Fee-for-Service (PFFS) Plans for 2011

Due to network regulations from the Centers for Medicare & Medicaid Services, BlueCross will not offer non-network PFFS plans for 2011. However, we will be offering new, network plans across the state to meet the needs of your clients. To help you and our members, we will mail the attached letter and Medigap Basics insert to our members, along with a list of plan options available. The letter explains that we are not renewing members' plans. It also explains what their rights are, as they will be disenrolled from their Medicare Blue<sup>SM</sup> Private, Medicare Blue<sup>SM</sup> Private Complete or Medicare Blue<sup>SM</sup> Private Complete Plus plans effective January 1, 2011.

### Additional Information:

- Medicare Advantage plans that do not have a provider network will no longer be available in South Carolina after December 31, 2010.
- Members will have a special enrollment period beginning October 1, 2010, and ending January 31, 2011, to enroll in other Medicare Advantage or prescription drug plans.
- Members who wish to return to original Medicare will not have to take any action.
- Members will have either a January 1 or a February 1 effective date with their new plans. **Note: A February 1 effective date may leave the members without drug coverage for the month of January.**
- Enrollment requests received from October 1 through December 31, 2010, will have an effective date of January 1, 2011. Enrollment requests received in January 2011 will have an effective date of February 1, 2011.
- All members who have not taken action will be enrolled into original Medicare effective January 1, 2011. These members risk losing drug coverage.
- Members have 63 days from the disenrollment dates from their Medicare Advantage plans to enroll in Medicare Supplement plans.
- If a member qualifies for extra help, low-income subsidy, or is eligible for Medicaid or Medicare, Medicare will enroll him or her in a prescription drug plan if the member has not done so by December 31, 2011.



South Carolina

Blue Cross BlueShield of South Carolina  
is an independent licensee of the  
Blue Cross and Blue Shield Association

- If a member is eligible for Medicaid, the state may pay his or her cost-sharing if the member is in original Medicare. The member will need to contact the South Carolina Department of Health and Human Services (SCDHHS) at the number listed at the end of this bulletin.
- If a member receives help from Medicaid, he or she needs to contact SCDHHS to see how joining a new plan or returning to original Medicare affects his or her Medicaid coverage.

We are encouraging agents to reach out to their clients in non-renewing plans to assist them.

**To submit the application with the correct election period, please refer to the page in the application titled “Attestation for Eligibility and Enrollment Period.” Check the box next to “My plan is ending its contract with Medicare or Medicare is ending its contract with my plan.”**

### **Options for our members**

Options for 2011 are shown below. Members are strongly encouraged to act before December 31, 2010, to avoid the possibility of being without prescription drug coverage on January 1, 2011.

#### **Members affected by non-renewal of a PFFS plan can:**

<b>Member May Choose</b>	<b>Action Member Needs to Take</b>
Original Medicare	No action needed
Original Medicare <u>plus</u> a Part D drug plan	Select and enroll in a Part D drug plan
MA Plan	Select and enroll in new plan
MAPD Plan	Select and enroll in new plan
Original Medicare plus a Medicare Supplement	Select and enroll in a Medicare Supplement plan
Original Medicare plus a Medicare Supplement <u>plus</u> a Part D drug plan	Select and enroll in a Medicare Supplement and a Part D drug plan

**For more information, please visit these websites:**

[Medicare.gov](https://www.Medicare.gov)

[SCBluesMedAdvantage.com](https://www.SCBluesMedAdvantage.com)

[SouthCarolinaBlues.com/ineedinsurance/productservices/individualsfamilies/medi-caresupplements.aspx](https://www.SouthCarolinaBlues.com/ineedinsurance/productservices/individualsfamilies/medi-caresupplements.aspx)

### **Important Phone Numbers**

Medicare: 800-MEDICARE (800-633-4227)

Social Security Administration: 800-772-1213

South Carolina Department of Insurance: 803-737-6160

South Carolina Health Insurance Pool: 800-868-9095

South Carolina Department of Health and Human Resources: 888-549-0820

## **IMPORTANT NOTICE: Your Medicare Coverage Is Changing. BlueCross BlueShield of South Carolina Will No Longer Offer Your Plan in 2011.**

Dear

##PLAN by BlueCross BlueShield of South Carolina, a health plan with a Medicare contract, will no longer operate as of January 1, 2011, so **your coverage through ##PLAN will end December 31, 2010**. You need to make some decisions about your Medicare coverage. Unless you act before December 31, 2010, you'll only have Original Medicare coverage starting January 1, 2011.

### **Take action by December 31 to avoid losing coverage**

If you want to join a different Medicare Advantage Plan or other Medicare health plan, you should join by December 31, 2010. **Your coverage with ##PLAN will end completely on December 31.**

Because your coverage is ending, you have a special right to join a new Medicare plan. You can choose another Medicare Advantage Plan, or change to Original Medicare and a Medicare Prescription Drug Plan, anytime between October 1 and January 31, 2011. However, **unless you act before December 31, you will only have Original Medicare coverage starting January 1, 2011**. If you join a new Medicare or drug plan AFTER December 31, your new coverage won't start until the month after you join.

If you qualify for Extra Help (the low-income subsidy) or are eligible for Medicaid, you have the right to change plans at any time during the year. However, if you don't take action before December 31, you'll have Original Medicare coverage starting January 1, 2011, and Medicare will enroll you in a Medicare Prescription Drug Plan. Medicare will send you a letter on blue paper letting you know what Medicare drug plan you'll be enrolled in.

### **Here are your options for Medicare coverage:**

**Option 1: You can join another Medicare Advantage Plan or other Medicare health plan, including a plan that offers prescription drug coverage.** See the list of plans included with this notice. If you're interested in joining one of these plans, you should call the plan to get more information about its rules and coverage.

Not all plans may cover your doctor visits or prescription drugs, so be sure to compare plans to find one that meets your needs. For help comparing plans, visit [www.medicare.gov](http://www.medicare.gov), or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can also call the State Health Insurance Counseling and Assistance Program (SHIP) for free personalized counseling at 1-800-868-9095. TTY users should call 1-800-735-8583.

Keep this letter. It's proof that you have a special right to buy a Medigap policy or join a new Medicare Advantage Plan or Medicare Prescription Drug Plan.
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**Option 2: You can change to Original Medicare.** If you decide you want Original Medicare coverage, you may want to join a Medicare Prescription Drug Plan.

**Medicare Prescription Drug Plan** – Original Medicare doesn't cover the cost of most prescription drugs. If you now have drug coverage through your Medicare Advantage Plan, you'll need to join a Medicare Prescription Drug Plan to continue your drug coverage if you switch to Original Medicare. Remember, if you don't join a Medicare Prescription Drug Plan and don't have other drug coverage as good as Medicare's, you may pay a late enrollment penalty to join a Medicare Prescription Drug Plan later.

**Medigap (Medicare Supplement Insurance) Policy** – You can buy a Medigap policy to help pay health care costs that Original Medicare doesn't cover. If you're 65 or older, you have a special right to buy a Medigap policy because your coverage with your plan is ending. You will have the special right to buy a Medigap policy for 63 days after your coverage with our plan ends. If you leave our plan before December 31, 2010, you have 60 days from the day your coverage ends to apply for a Medigap policy. If you're under 65, you may not be able to buy a Medigap policy until you turn 65. See the enclosed Medigap fact sheet for more information on your Medigap rights.

Medigap policies no longer offer prescription drug coverage, so you must also join a Medicare Prescription Drug Plan if you want Medicare drug coverage.

**Extra Help/Medicaid** – If you qualify for Extra Help (the low-income subsidy) or are eligible for Medicaid, Medicare will enroll you in a Medicare Prescription Drug Plan if you don't join a plan yourself by December 31. Also, if you are eligible for Medicaid, your state may pay your cost-sharing if you are in Original Medicare. Check with your state's Medicaid agency or local SHIP to see if Medicaid will pay any of your Medicare expenses.

## Other information you need to know:

**If you have end-stage renal disease (ESRD),** you have a one-time right to join a new Medicare Advantage Plan. If you change directly to Original Medicare since ##PLAN is ending, you'll still have a one-time right to join a Medicare Advantage Plan at a later date.

**If you get help from the Medicaid program,** contact Medicaid at 1-888-549-0820 Monday through Friday, 8 a.m. to 5 p.m., to learn how joining a new plan or returning to Original Medicare affects your Medicaid coverage.

**If you have an employer or union group health plan, VA benefits, or TRICARE for Life,** contact your insurer or benefits administrator to find out how joining a new plan or returning to Original Medicare affects

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your coverage. You may be able to use other health care and prescription drug coverage with Original Medicare.

**If you currently have only Medicare Part B**, you'll also need to get Part A if you want to join a different Medicare Advantage Plan or buy a Medigap policy. If you want to enroll in Part A, call Social Security at 1-800-772-1213, or visit your local Social Security office for more information. TTY users should call 1-800-325-0778. There are limited times to enroll, so call now to find out about your choices.

## Get help and more information about your options

If you need more information, please call us at 1-888-645-6025 Monday through Friday, 8 a.m. to 8 p.m. TTY users should call 1-888-645-6023. Tell the customer service representative you got this notice.

**For help comparing Medicare plans**, visit [www.medicare.gov](http://www.medicare.gov), or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can also call Insurance Counseling Assistance & Referrals for Elders (I-CARE) for free personalized counseling at 1-800-868-9095. TTY users should call 1-800-735-8583.

**To see if your state has a program for people with limited income and resources**, call your State Medical Assistance Office at 1-800-868-9095. You may be able to get help paying Medicare premiums, deductibles and coinsurance. TTY users should call 1-800-735-8583.

**For questions about the Medigap policies available in your area**, call the Department of Insurance at 803-737-6160. TTY users should call 1-800-735-8583.

To receive this notice in an alternate language or format, **call our Member Services department** at 1-888-645-6025 Monday through Friday, 8 a.m. to 8 p.m. TTY users call 1-888-645-6023.

We apologize for any inconvenience.

Keep this letter. It's proof that you have a special right to buy a Medigap policy or join a new Medicare Advantage Plan or Medicare Prescription Drug Plan.

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## Medigap Basics

A Medigap policy is a health insurance policy sold by private insurance companies. Costs you pay for Medicare benefits — like coinsurance, copayments and deductibles — are called “gaps” in Original Medicare. You might want to buy a Medigap policy to help cover these gaps. Some Medigap policies also cover benefits that aren’t covered by Medicare, like emergency health care while traveling outside the United States.

Medigap coverage is different from your ##PLAN coverage. Since Medigap policies only help pay for health care costs if you are in Original Medicare, you don’t need a Medigap policy if you’re in a Medicare Advantage Plan.

Medigap policies must follow federal and state laws designed to protect you, and they must be clearly identified as “Medicare Supplement Insurance.” Medigap insurance companies can sell you only a “standardized” Medigap policy identified in most states by letters — i.e., Plans A through N. (Note that Plans E, H, I and J are not being sold after June 1, 2010.) All plans offer the same basic benefits, but some offer additional benefits, so you can choose which one meets your needs.

Insurance companies may charge different premiums for exactly the same Medigap coverage. As you shop for a Medigap policy, be sure you’re comparing the same Medigap policy. (For example, compare Plan A from one company with Plan A from another company.)

## Your Rights to Buy a Medigap Policy

When you lose your health coverage, you may have special rights called Medigap protections or guaranteed issue rights. If you buy a Medigap policy when you have guaranteed issue rights, the insurance company must sell you a policy, must cover pre-existing conditions and can’t charge you more because of any past or present health problems. Because you’re losing coverage under ##PLAN, you may have a right to buy a Medigap policy. To protect your rights, you must apply for a Medigap policy no later than 63 calendar days after your coverage under ##PLAN ends.

- **Because your coverage under our plan ends December 31, 2010, you must apply for a Medigap policy no later than March 4, 2011. If you leave our plan before December 31, 2010, you have 60 calendar days from the day your coverage ends to apply for a Medigap policy.**
- If you’re 65 or older, you have the right to buy Medigap Plan A, B, C, F, K or L from any company selling these policies in South Carolina.
- You may also have the right to buy a Medigap policy in addition to Plans A, B, C, F, K or L in these situations:
  - You’re 65 or older and first got Medicare Part B in the last six months.
  - You dropped a Medigap policy within the last 12 (in some cases 24) months to join a Medicare Advantage plan for the first time.
  - You joined a Medicare Advantage plan during the last 12 (in some cases 24) months when you were first eligible for Medicare Part A at age 65.

- Some states require insurance companies to sell you other Medigap policies when your coverage under ##PLAN ends.
- If you're under 65, you may not be able to buy a Medigap policy until you're 65. There's no federal law that says insurance companies must sell a Medigap policy to you. However, some states require companies to sell you a policy at certain times, even if you are under age 65. If an insurance company sells Medigap Plan A, B, C, F, K or L to anyone with Medicare (including those under 65) in South Carolina, it must sell these plans to anyone whose Medicare Advantage plan will no longer provide Medicare services.

If you think any of these situations apply to you or if you aren't sure, or if you want to learn if Medigap policies are available to people under 65 in your state, you should call the State Health Insurance Counseling and Assistance Program at 1-800-868-9095 as soon as possible because **you have a limited time to apply**. TTY users should call 1-800-735-8583.

## You Can Apply for a Medigap Policy Now

You can apply for a Medigap policy now. If you want to buy a Medigap policy, follow these steps:

1. Contact the insurance company that sells the Medigap policy you want, and ask for an application.
2. Fill out the application, and make a copy of the cover letter that came with this mailing. It will prove that you have special rights to buy a Medigap policy.
3. Mail the application and a copy of the letter to the Medigap insurance company.

**Remember, you must apply for the policy by March 4, 2011, if you stay in our plan until December 31, 2010. This is 63 days after your coverage under ##PLAN ends. If you leave our plan before December 31, 2010, you have 60 days from the day your coverage ends to apply for a Medigap policy.** It's best to apply before your coverage with our plan ends so that your Medigap policy starts the same day as your Original Medicare coverage.

## For More Information About Medigap Policies

- Visit <http://www.medicare.gov/Publications/Pubs/pdf/02110.pdf> to view the booklet, "Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare."
- Call your State Insurance Department 803-737-6160 to get more information.
- Visit [www.medicare.gov/MPPF](http://www.medicare.gov/MPPF). Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- Call the State Health Insurance Counseling and Assistance Program at 1-800-868-9095 for free personalized health care counseling. TTY users should call 1-800-735-8583.